

CF GROUP MANAGEMENT INC  
 Form 4  
 December 05, 2008

**FORM 4**

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

OMB APPROVAL

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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 CF GROUP MANAGEMENT INC

2. Issuer Name and Ticker or Trading Symbol  
 BGC Partners, Inc. [BGCP]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
 499 PARK AVENUE  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 12/01/2008

Director  10% Owner  
 Officer (give title below)  Other (specify below)

NEW YORK, NY 10022

4. If Amendment, Date Original Filed (Month/Day/Year)

6. Individual or Joint/Group Filing (Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Class A Common Stock, par value \$0.01 per share					2,439,009	D	
Class A Common Stock, par value \$0.01 per share	06/23/2008		G <sup>(1)</sup>	V 121,875 <sup>(1)</sup>	D \$ 0 26,233 <sup>(2)</sup>	I	See footnote <sup>(3)</sup>

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Class A Common Stock, par value \$0.01 per share	12/01/2008	C <sup>(4)</sup>	1,700,000 <u>(4)</u>	A	\$ 0	1,726,233 <sup>(4)</sup>	I	See footnote <u>(3)</u>
Class A Common Stock, par value \$0.01 per share	12/01/2008	G <sup>(4)</sup> V	1,000,000 <u>(4)</u>	D	\$ 0	206,957 <sup>(4)</sup>	I	See footnote <u>(3)</u>
Class A Common Stock, par value \$0.01 per share	12/03/2008	G <sup>(5)</sup> V	50,000 <sup>(5)</sup>	D	\$ 0	156,957 <sup>(4)</sup>	I	See footnote <u>(3)</u>

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	Date Exercisable	Expiration
				Code	V (A) (D)			
Class B Common Stock, par value \$0.01 per share	<u>(6)</u>	12/01/2008		C <sup>(4)</sup>	1,700,000	<u>(6)</u>		
Class B Common Stock, par value \$0.01 per share	<u>(6)</u>					<u>(6)</u>		

BGC

Holdings	<u>(6)</u> <u>(7)</u> <u>(8)</u>
Exchangeable	<u>(9)</u> <u>(10)</u> <u>(11)</u>
Limited	<u>(12)</u> <u>(13)</u>
Partnership	<u>(14)</u> <u>(15)</u>
Interests	

(6)(7)(8)(9)(10)(11)(12)(13)(14)(15)(6)(7)

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CF GROUP MANAGEMENT INC 499 PARK AVENUE NEW YORK, NY 10022	X	X		

## Signatures

/s/ Howard W. Lutnick, President for CF Group  
Management, Inc.

12/04/2008

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Represents a gift of 121,875 shares of Class A Common Stock by Cantor Fitzgerald, L.P. ("CFLP") to certain charitable organizations.
- (2) Represents the number of shares of Class A Common Stock beneficially owned by CFLP after (i) the gift by CFLP of the 121,875 shares of Class A Common Stock to the charitable organizations on June 23, 2008 and (ii) a distribution by CFLP on September 22, 2008, on an accelerated basis, of an aggregate of 458,369 shares of Class A Common Stock to certain current and former partners of BGC Holdings L.P. ("BGC Holdings") to satisfy certain of CFLP's deferred stock distribution obligations to such partners.
- (3) CFGM is the Managing General Partner of CFLP. CFGM disclaims beneficial ownership of all such shares in excess of its pecuniary interest, if any, and this report shall not be deemed an admission that CFGM is the beneficial owner of, or has pecuniary interest in, any such excess shares for purposes of Section 16 of the Securities Exchange Act of 1934 or for any other purpose.
- (4) On December 1, 2008, 1,700,000 shares of Class B Common Stock were converted into 1,700,000 shares of Class A Common Stock, of which (i) 1,000,000 shares were gifted by CFLP to The Cantor Fitzgerald Relief Fund on December 1, 2008, (ii) 519,276 shares were distributed by CFLP on December 1, 2008, on an accelerated basis, to certain founding partners of BGC Holdings L.P. ("BGC Holdings") to satisfy certain of CFLP's deferred stock distribution obligations to such partners, and (iii) 50,000 shares were gifted by CFLP to a charitable organization on December 3, 2008.
- (5) Represents a gift of 50,000 shares of Class A Common Stock by CFLP to a charitable organization.
- (6) The shares of Class B Common Stock are convertible at any time on a one-for-one basis (subject to adjustment) into shares of Class A Common Stock.
- (7) Prior to the Merger (as defined below), CFLP separated (the "Separation") its inter-dealer brokerage business, market data business and certain fulfillment businesses (collectively, the "BGC Businesses") from the remainder of CFLP's businesses and contributed the BGC Businesses to BGC Partners, LLC, which then merged (the "Merger") with and into eSpeed, Inc., which was renamed BGC Partners, Inc. On and after March 31, 2009, the one-year anniversary of the completion of the Separation, the exchange rights with respect to

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CFLP's BGC Holdings Exchangeable Limited Partnership Interests will be exercisable at any time for shares of Class B Common Stock (or, at CFLP's option or if there are no additional authorized but unissued shares of Class B Common Stock, shares of Class A Common Stock) on a one-for-one basis (subject to adjustment). (Continue to footnote 8)

- (8) CFLP will, however, be able to exercise its exchange rights with respect to up to 20 million of its BGC Holdings Exchangeable Limited Partnership Interests for shares of Class A Common Stock prior to the first anniversary of the completion of the Separation in connection with a broad-based public offering, including all the shares of Class A Common Stock received upon such exchange, underwritten by a nationally recognized investment banking firm.

- (9) Pursuant to deferred stock distribution rights issued by CFLP in connection with the Separation and Merger, certain CFLP partners, who provide services to the BGC Businesses and became founding partners of BGC Holdings in connection with the Separation and Merger, will receive distributions of a fixed number of shares of Class A Common Stock from CFLP, with one-third of such shares receivable on each of the first, second and third anniversaries of the completion of the Merger. Other CFLP partners, who did not become founding partners of BGC Holdings in connection with the Separation and Merger, will receive distributions of a fixed number of shares of Class A Common Stock from CFLP on the ninth anniversary of the completion of the Merger, subject to acceleration in certain circumstances as follows: (continue to footnote 10)

- (10) (i) with respect to shares of Class A Common Stock to be received in respect of CFLP partnership units held three years or longer as of the completion of the Merger, one-third of the shares on each of the 12-, 18- and 24-month anniversaries of the completion of the Merger, and (ii) with respect to shares of Class A Common Stock to be received in respect of CFLP partnership units held less than three years as of the completion of the Merger, one-fifth of the shares on each of the 12-, 18-, 24-, 30- and 36-month anniversaries of the completion of the Merger, in the case of both (i) and (ii) above, if, as of the applicable anniversary date, the partner continues to provide services to CFLP and has not breached his or her CFLP partner obligations, including the non-competition and non-solicitation covenants contained in the limited partnership agreement of CFLP, to the extent applicable. (Continue to footnote 11)

- (11) To the extent that CFLP does not have sufficient shares of Class A Common Stock to satisfy its deferred stock distribution obligations, CFLP will convert shares of its Class B Common Stock into shares of Class A Common Stock to satisfy such obligations.

- (12) In Footnotes 2 and 3 of a Form 4 filed by CFGM on June 12, 2008 (the "June 12 Form 4"), CFGM reported that, as of April 1, 2008, (i) the number of shares of Class A Common Stock subject to deferred stock distribution obligations that CFLP was required to distribute to current and former CFLP partners was 33,367,358, which was 1,250 deferred distribution rights shares lower than previously reported in a Form 4/A filed by CFGM on April 25, 2008 (the "April 25 Form 4"), and (ii) the number of BGC Holdings Exchangeable Limited Partnership Interests held by CFLP was 67,133,670, which was 64,140 BGC Holdings Exchangeable Limited Partnership Interests higher than previously reported in the April 25 Form 4. (Continue to footnote 13)

- (13) The correct number of shares of Class A Common Stock subject to deferred stock distribution obligations that CFLP was required, as of April 1, 2008, to distribute to current and former CFLP partners was 33,371,740, which is 4,382 deferred distribution rights shares higher than the 33,367,358 previously reported in the June 12 Form 4.

- (14) In Footnotes 15, 16 and 17 to Table II of the April 25 Form 4, CFGM reported that CFLP assumed that it used 33,368,608 (33,371,740 being the correct number) shares of Class A or Class B Common Stock receivable upon exchange by it of a portion of its 67,069,530 (67,133,670 being the correct number) BGC Holdings Exchangeable Limited Partnership Interests to satisfy all of its deferred stock distribution obligations. Due, however, to (i) the use of shares of Class A Common Stock already owned by CFLP to satisfy certain deferred stock distribution obligations on June 10, 2008 (6,248,355 shares) and September 22, 2008 (458,369 shares) and (Continue to footnote 15)

- (15) (ii) the use of 519,276 shares Class A Common Stock acquired by CFLP upon the conversion of 519,276 shares of Class B Common Stock on December 1, 2008 to satisfy certain deferred stock distribution obligations on December 1, 2008, in this report that assumed number of 33,371,740 BGC Holdings Exchangeable Limited Partnership Interests which CFLP has used to satisfy its deferred stock distribution obligations has been reduced by an aggregate of 7,226,000 Interests, to 26,145,740 Interests, and the number of CFLP's BGC Holdings Exchangeable Limited Partnership Interests remaining has been increased by an aggregate of 7,226,000 Interests, to 40,987,930 Interests.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.