

BGC Partners, Inc.
Form DEF 14A
November 02, 2010
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934
(Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Confidential, For Use Of The Commission

Only (As Permitted By Rule 14a-6(e)(2))

Preliminary Proxy Statement

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to (S) 240.14a-11(c) or (S) 240.14a-12

BGC Partners, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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November 1, 2010

Dear Stockholder:

You are cordially invited to attend our 2010 Annual Meeting of Stockholders, which will be held at BGC Partners, Inc., 499 Park Avenue, 3rd Floor, New York, NY 10022, on Monday, December 13, 2010, commencing at 10:00 a.m. (local time).

This year, we are once again taking advantage of the Securities and Exchange Commission rule that allows companies to provide their stockholders with access to proxy materials over the Internet. On or about November 2, 2010, we will begin mailing a Notice of Internet Availability of Proxy Materials to our stockholders informing them that our Proxy Statement, 2009 Annual Report and voting instructions are available online. As more fully described in that Notice, all stockholders may choose to access our proxy materials on the Internet or may request to receive paper copies of the proxy materials. This allows us to conserve natural resources and reduces the costs of printing and distributing the proxy materials, while providing our stockholders with access to the proxy materials in a fast and efficient manner.

At the Annual Meeting, you will be asked to consider and vote upon (i) the election of five directors; and (ii) such other business as may properly come before the Annual Meeting and any adjournment or postponement thereof.

Whether or not you are able to attend the Annual Meeting in person, it is important that your shares be represented. Please vote your shares using the Internet or by requesting a printed copy of the proxy materials and completing and returning by mail the proxy or voting instruction card you will receive in response to your request. Please refer to the section entitled "Voting via the Internet or by Mail" on page 1 of the Proxy Statement for a description of these voting methods.

Sincerely,
Howard W. Lutnick
Chairman of the Board of Directors

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BGC Partners, Inc.

499 Park Avenue

New York, NY 10022

Notice of 2010 Annual Meeting of Stockholders

NOTICE IS HEREBY GIVEN that our 2010 Annual Meeting of Stockholders will be held at BGC Partners, Inc., 499 Park Avenue, 3rd Floor, New York, NY 10022, on Monday, December 13, 2010, commencing at 10:00 a.m. (local time), for the following purposes:

(1) To elect five (5) directors to hold office until the next annual meeting and until their successors are duly elected and qualified; and

(2) To transact such other business as may properly come before the Annual Meeting and any adjournment or postponement thereof. Only holders of record of our Class A common stock or our Class B common stock at the close of business on October 18, 2010 are entitled to notice of and to vote at the Annual Meeting and any adjournment thereof.

By Order of the Board of Directors,

STEPHEN M. MERKEL

Secretary

November 1, 2010

**YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU PLAN TO ATTEND
THE MEETING IN PERSON, PLEASE VOTE AS PROMPTLY AS POSSIBLE USING THE
INTERNET OR BY REQUESTING A PRINTED COPY OF THE PROXY MATERIALS AND
COMPLETING AND RETURNING BY MAIL THE PROXY OR VOTING INSTRUCTION CARD
YOU WILL RECEIVE IN RESPONSE TO YOUR REQUEST.**

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BGC Partners, Inc.

499 Park Avenue

New York, NY 10022

PROXY STATEMENT

This Proxy Statement is being furnished in connection with the solicitation of Proxies by and on behalf of our Board of Directors to be used at our 2010 Annual Meeting of Stockholders (the "Annual Meeting") to be held on December 13, 2010, and at any adjournment or postponement thereof, for the purposes set forth in the accompanying Notice of 2010 Annual Meeting of Stockholders. Our Annual Report for the fiscal year ended December 31, 2009 (the "2009 Annual Report") accompanies this Proxy Statement. The Notice of Internet Availability of Proxy Materials is expected to be mailed to stockholders on or about November 2, 2010.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON DECEMBER 13, 2010.

On or about November 2, 2010, we will begin mailing a notice, called the Notice of Internet Availability of Proxy Materials (the "Notice"), to our stockholders advising them that this Proxy Statement, the 2009 Annual Report and voting instructions can be accessed over the Internet at www.proxyvote.com. You may then access these materials and vote your shares over the Internet or you may request that a printed copy of the proxy materials be sent to you. If you want to receive a paper or e-mail copy of these proxy materials, you must request one over the Internet at www.proxyvote.com, by calling toll free 1-800-579-1639, or by sending an e-mail to sendmaterial@proxyvote.com. There is no charge to you for requesting a copy. Please make your request for a copy on or before November 30, 2010 to facilitate timely delivery. If you previously elected to receive our proxy materials electronically, these materials will continue to be sent via e-mail unless you change your election.

Information on how to obtain directions to attend the Annual Meeting and vote in person is available at:
<http://www.bgcpartners.com/contact-us/new-york/?printDirections=y>.

INFORMATION ABOUT VOTING

Who can Vote

The close of business on October 18, 2010 has been fixed as the record date (the "Record Date") for the determination of the stockholders entitled to notice of and to vote at the Annual Meeting and any adjournment or postponement thereof. Only holders of record as of that date of shares of our Class A common stock, \$0.01 par value per share ("Class A common stock"), or of our Class B common stock, \$0.01 par value per share ("Class B common stock"), are entitled to notice of and to vote at the Annual Meeting. Our Class A common stock and our Class B common stock are sometimes collectively referred to herein as our "Common Equity."

Each share of our Class A common stock entitles the holder thereof to one vote per share on each matter presented to stockholders for approval at the Annual Meeting. Each share of our Class B common stock entitles the holder thereof to 10 votes per share on each matter presented to stockholders for approval at the Annual Meeting. On the Record Date, there were 67,949,961 shares of our Class A common stock and 25,848,107 shares of our Class B common stock, for a total of 93,798,068 shares of our Common Equity outstanding and entitled to vote.

Voting via the Internet or by Mail

Stockholders of Record

If your shares are registered directly in your name with the Company's transfer agent, American Stock Transfer & Trust Company, you are considered the "stockholder of record" of those shares and the Notice is being sent directly to you by the Company. If you are a stockholder of record (also called a "registered

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stockholder) you can vote your shares in one of two ways: either by proxy or in person at the Annual Meeting. If you choose to vote by proxy, you may do so by using the Internet, please visit www.proxyvote.com and follow the instructions, or by requesting a printed copy of our proxy materials and completing and returning by mail the proxy card you will receive in response to your request. Whichever method you use, each valid proxy received in time will be voted at the Annual Meeting in accordance with your instructions.

Beneficial Owners of Shares Held in Street Name

If your shares are held in a stock brokerage account or by a bank or other nominee, you are considered the beneficial owner of shares held in street name (also called a street name holder), and the Notice is being forwarded to you by your broker, bank or nominee, who is considered the stockholder of record of those shares. As a beneficial owner, you have the right to direct your broker, bank or nominee on how to vote the shares held in your account. If you are a beneficial owner of shares held in street name, you are invited to attend the Annual Meeting. However, since you are not a stockholder of record, you may not vote these shares in person at the Annual Meeting unless you bring with you a legal proxy from the stockholder of record. A legal proxy may be obtained from your broker, bank or nominee. If you do not wish to vote in person or you will not be attending the Annual Meeting, you may vote using the Internet. Please visit www.proxyvote.com and follow the instructions, or, if you request to receive printed proxy materials, you will receive voting instructions from your broker, bank or nominee describing the available processes for voting your stock.

Revocation of Proxies

A stockholder s voting on the Internet or by completing and returning a proxy card will not affect such stockholder s right to attend the Annual Meeting and to vote in person. Any stockholder who votes on the Internet or submits an executed proxy card has a right to revoke the proxy at any time before it is voted by taking any of the following actions:

advising Stephen M. Merkel, our Secretary, in writing of such revocation;

changing the stockholder s vote on the Internet;

executing a later-dated proxy which is presented to us at or prior to the Annual Meeting; or

appearing at the Annual Meeting and voting in person.

Attendance at the Annual Meeting will not in and of itself constitute revocation of a proxy.

Quorum

The required quorum for the transaction of business at the Annual Meeting is a majority of the collective voting power represented by the shares of our Common Equity issued and outstanding on the Record Date (the Total Voting Power), which shares must be present in person or represented by proxy at the Annual Meeting.

Required Vote and Broker Non-Votes

With regard to the election of directors, votes may be cast in favor or withheld; votes that are withheld will be counted for purposes of determining the presence or absence of a quorum, but will have no other effect. Broker non-votes, if any, will be counted for purposes of determining the presence or absence of a quorum, but will not be counted for the purpose of determining whether stockholders have elected any director. A broker non-vote occurs when a nominee holding a share for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power with respect to that matter and has not received voting instructions from the beneficial owner. Pursuant to the trust agreement governing our BGC Partners, Inc. Deferral Plan for Employees of Cantor Fitzgerald, L.P. and its Affiliates (the Deferral Plan), the trustee of our Deferral Plan will not, except as otherwise required by law, vote shares of our Class A common stock held in the trust as to which the trustee has not received voting instructions from Plan participants.

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Under a recently amended New York Stock Exchange rule, if you hold your shares through a bank or brokerage firm, your broker will not be entitled to vote your shares on Proposal 1 Election of Directors without your express voting instructions. As a result, if you do not vote your shares on this proposal, your shares will remain unvoted on this proposal. Therefore, it is very important that you vote your shares.

Unless specified otherwise, the proxies will be voted FOR the election of all the nominees to serve as our directors. In the discretion of the proxy holders, the Proxies will also be voted for or against such other matters as may properly come before the Annual Meeting. Management is not aware of any other matters to be presented for action at the Annual Meeting.

Our principal executive offices are located at 499 Park Avenue, New York, NY 10022, and our telephone number is (212) 610-2200.

This Proxy Statement is accompanied by the 2009 Annual Report, which includes the Company's Form 10-K for the year ended December 31, 2009 that we have previously filed with the Securities and Exchange Commission (the SEC) and that includes our audited financial statements. See Mailing Note. We file reports, proxy statements and other information with the SEC that can be accessed through the SEC's Web site (www.sec.gov) or can be reviewed and copied at the SEC's Public Reference Room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Please call (202) 551-8909 for further information on the Public Reference Room. In addition, our website at www.bgcpartners.com provides ongoing information about the Company, including documents filed with the SEC.

To obtain documents from us, please direct requests in writing or by telephone to BGC Partners, Inc., 499 Park Avenue, 3rd Floor, New York, NY 10022, Phone: (212) 610-2200, Attention: Secretary. We will send you the requested documents without charge; however, a reasonable fee will be charged for exhibits.

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Our Board of Directors is currently composed of five members. In addition, Dr. Catherine P. Koshland served as director in 2009 but did not stand for re-election at the 2009 Annual Meeting. Mr. Stephen T. Curwood was elected to replace Dr. Koshland at the 2009 Annual Meeting.

Our Board, upon recommendation of our independent directors, has nominated five persons for election as directors at the Annual Meeting. All of the nominees are currently members of our Board. Information with respect to the five nominees for election as directors is set forth below. All of the nominees are to be elected at the Annual Meeting and to serve until their successors are duly elected and qualified. All of the nominees listed below are expected to serve as directors if they are elected. If any nominee should decline or be unable to accept such nomination or to serve as a director (an event which our Board does not now expect), our Board reserves the right to nominate another person or to vote to reduce the size of our Board. In the event another person is nominated, the Proxy holders intend to vote the shares to which the Proxy relates for the election of the person nominated by our Board. There is no cumulative voting for directors.

Information about Directors

Name	Age	Director Since	Principal Occupations During the Last Five Years; Other Directorships
Howard W. Lutnick	49	1999	Mr. Lutnick is the Chairman of our Board of Directors, a position in which he has served from June 1999 to the present. He served as Chief Executive Officer from June 1999 to April 1, 2008. He served as Co-Chief Executive Officer from April 1, 2008 until December 19, 2008, after which time he again served as sole Chief Executive Officer. Mr. Lutnick was our President from September 2001 to May 2004 and became our President again from January 2007 to April 1, 2008. Mr. Lutnick joined Cantor Fitzgerald, L.P. (Cantor) in 1983 and has served as President and Chief Executive Officer of Cantor since 1992 and as Chairman since 1996. Mr. Lutnick's company, CF Group Management, Inc., is the managing general partner of Cantor. Mr. Lutnick is a member of the Board of Managers of Haverford College, the Board of Directors of the Fisher Center for Alzheimer's Research Foundation at Rockefeller University, the Executive Committee of the USS Intrepid Museum Foundation's Board of Trustees, a member of the Board of Directors of the Solomon Guggenheim Museum Foundation, a member of the Board of Directors of the Horace Mann School and a member of the Board of Directors of the National September 11 Memorial & Museum. In addition, Mr. Lutnick is on the supervisory board of the Electronic Liquidity Exchange, a fully electronic futures exchange.
John H. Dalton	68	2002	Mr. Dalton has been a director of our company since February 2002. In January 2005, Mr. Dalton became the President of the Housing Policy Council of the Financial Services Roundtable, a trade association composed of large financial services companies. Mr. Dalton was President of IPG Photonics Corp., a company that designs, develops and manufactures a range of advanced amplifiers and lasers for the telecom and industrial markets, from September 2000 to December 2004. Mr. Dalton served as Secretary of the United States Navy from July 1993 to November 1998. He also serves on the Board of Directors of IPG Photonics Corp., Washington FirstBank, and Fresh Del Monte Produce, Inc., a producer and marketer of fresh produce.

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Name	Age	Director Since	Principal Occupations During the Last Five Years; Other Directorships
Barry R. Sloane	55	2006	Mr. Sloane has been a director of our company since September 2006. Mr. Sloane has been President and Chief Executive Officer of Century Bancorp, Inc. and Century Bank since May 2010. Previously he was Co-President and Co-Chief Executive Officer of Century Bancorp, Inc. since April 2006, and Co-President and Co-Chief Executive Officer of Century Bank since April 2005. Mr. Sloane is a Trustee and Treasurer of the Fisher Center for Alzheimer's Research Foundation at Rockefeller University, a Trustee of Beth Israel Deaconess Medical Center, a Trustee of the Savings Bank Employees Retirement Association and a Trustee of the Wheeler School.
Albert M. Weis	83	2002	Mr. Weis has been a director of our company since October 2002. Mr. Weis has been President of A.M. Weis & Co., Inc., a money management company, since 1976. Mr. Weis was Chairman of the New York Cotton Exchange from 1997 to 1998, 1981 to 1983 and 1977 to 1978. From 1998 to 2000, Mr. Weis was Chairman of the New York Board of Trade. From 1996 to 1999, Mr. Weis was a director and chairman of the Audit Committee of Synetic Inc., a company that designs and manufactures data storage products, and, from 1999 to 2001, he was a director and chairman of the Audit Committee of Medical Manager Corporation (successor to Synetic Inc.).
Stephen T. Curwood	62	2009	Mr. Curwood has been a director of our company since December 2009. Mr. Curwood has been President of the World Media Foundation, Inc., a non-profit media production company, since 1992 and Senior Managing Director of SENCAP LLC, a New York and New Hampshire-based investment group, since 2005. Mr. Curwood has been a principal of Mamawood Pty Ltd., a media holding company based in Johannesburg, with investments in South Africa, since 2005. Mr. Curwood has also been a member of the Board of Managers of Haverford College since 2001, serving on the Investment Committee since 2003 and as chair of the Committee on Social Investment Responsibility since 2008. From 1996 to 2003, Mr. Curwood was a lecturer in Environmental Science and Public Policy at Harvard University. Mr. Curwood graduated from Harvard University in 1969. Mr. Curwood shared the Pulitzer Prize for Public Service as a writer for the <i>Boston Globe</i> in 1975, and is the recipient of numerous awards for the creation and hosting of the National Public Radio and Public Radio International program <i>Living on Earth</i> , including the Edward R. Murrow Award from the Radio and Television Directors Association, the David A. Brower Award of the Sierra Club, and the Global Green Award for Media Design from former Soviet Union President Mikhail Gorbachev.

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VOTE REQUIRED FOR APPROVAL

The five nominees receiving a plurality of the Total Voting Power present in person or by Proxy at the Annual Meeting and entitled to vote on the election of directors will be elected as directors.

RECOMMENDATION OF OUR BOARD OF DIRECTORS

OUR BOARD OF DIRECTORS RECOMMENDS THAT STOCKHOLDERS VOTE FOR THE ELECTION OF EACH OF THE FIVE NOMINEES FOR DIRECTOR.

Independence of Directors

Our Board of Directors has determined that each of Messrs. Curwood, Dalton, Sloane and Weis qualifies as an independent director in accordance with the published listing requirements of NASDAQ. The NASDAQ independence definition consists of a series of objective tests, one of which is that the director is not an officer or employee of ours and has not engaged in various types of business dealings with us. In addition, as further required by NASDAQ rules, our Board has made a subjective determination with respect to each independent director that no relationships exist which, in the opinion of our Board, would interfere with the exercise of independent judgment by each such director in carrying out the responsibilities of a director. In making these determinations, our Board reviewed and discussed information provided by the individual directors and us with regard to each director's business and personal activities as they may relate to us and our management, including participation on any boards of other organizations in which other members of our Board were members.

Meetings and Committees of our Board of Directors

Our Board of Directors held 12 meetings during the year ended December 31, 2009. In addition to meetings, our Board and its committees reviewed and acted upon matters by unanimous written consent from time to time.

Our Board of Directors has an Audit Committee. The members of the Audit Committee are currently Messrs. Curwood, Dalton, Sloane and Weis, all of whom qualify as independent in accordance with the published listing requirements of NASDAQ. The members of the Audit Committee also each qualify as independent under special standards established by the SEC for members of audit committees, and the Audit Committee includes at least one member who is determined by our Board to also meet the qualifications of an audit committee financial expert in accordance with the SEC rules. Messrs. Weis and Sloane are independent directors who have been determined to be audit committee financial experts. The Audit Committee operates pursuant to an Audit Committee Charter which is available at www.bgcpartners.com/legal/disclaimers/ or upon written request from BGC free of charge.

The Audit Committee selects our independent registered public accounting firm (our Auditors), consults with our Auditors and with management with regard to the adequacy of our financial reporting, internal control over financial reporting and the audit process and considers any permitted non-audit services to be performed by our Auditors. The Audit Committee held 13 meetings during the year ended December 31, 2009.

During 2009, our Audit Committee engaged Ernst & Young, LLP (Ernst & Young) to be our Auditors for the year ending December 31, 2009. Ernst & Young was also approved to perform reviews, pursuant to Statement of Accounting Standards No. 71, of each of our quarterly financial reports for the year ending December 31, 2009, and certain other audit-related services such as accounting consultations. Pursuant to our Audit Committee Charter, the Audit Committee will pre-approve all audit services, internal control-related services and permitted non-audit services (including the fees and other terms thereof) to be performed for us by Ernst & Young, subject to the minimum exception for permitted non-audit services that are approved by the Audit Committee prior to completion of the audit.

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Our Board of Directors also has a Compensation Committee. The members of the Compensation Committee are currently Messrs. Curwood, Dalton, Sloane and Weis, all of whom are non-employee directors. The Compensation Committee is responsible for reviewing and approving all compensation arrangements for our executive officers and for administering the BGC Holdings, L.P. Participation Plan (the "Participation Plan"), our Second Amended and Restated BGC Partners, Inc. Long Term Incentive Plan (the "Equity Plan") and our Amended and Restated BGC Partners, Inc. Incentive Bonus Compensation Plan (the "Incentive Plan"). BGC Partners does not have a Compensation Committee charter. The Compensation Committee held 11 meetings during the year ended December 31, 2009.

During 2009, no director, except for Dr. Koshland, attended fewer than 75% of the total number of meetings of the Board of Directors and the committees of which he or she was a member. Dr. Koshland attended 61% of such meetings. Dr. Koshland did not stand for re-election at the 2009 Annual Meeting.

Nominating Process

Our Board of Directors does not have a separate nominating committee or committee performing similar functions and does not have a nominating committee charter. As a result, all directors participate in the consideration of director nominees that are recommended for selection by a majority of the independent directors as defined by the published listing requirements of NASDAQ. The Board believes that such participation of all directors is appropriate given the size of the Board and the level of participation of our independent directors in the nomination process. The Board will also consider qualified director candidates identified by a member of senior management or by a stockholder. However, it is our general policy to re-nominate qualified incumbent directors and, absent special circumstances, the Board will not consider other candidates when a qualified incumbent consents to stand for re-election. A stockholder wishing to submit a recommendation for a director candidate should follow the instructions set forth in this Proxy Statement under the section below entitled "Communications with Our Board of Directors."

Our Board of Directors considers the following minimum criteria when reviewing a director nominee: (1) director candidates must have the highest character and integrity, (2) director candidates must be free of any conflict of interest which would violate applicable laws or regulations or interfere with the proper performance of the responsibilities of a director, (3) director candidates must possess substantial and significant experience which would be of particular importance in the performance of the duties of a director, (4) director candidates must have sufficient time available to devote to our affairs in order to carry out the responsibilities of a director, and (5) director candidates must have the capacity and desire to represent the best interests of our stockholders. In addition, the Board considers as one factor among many the diversity of Board candidates, which may include diversity of skills and experience as well as geographic, gender, age, and ethnic diversity. The Board does not, however, have a formal policy with regard to the consideration of diversity in identifying Board candidates. The Board screens candidates, does reference checks and conducts interviews, as appropriate. The Board does not evaluate nominees for director any differently because the nominee is or is not recommended by a stockholder.

With respect to qualifications of the members of the Board of Directors, the Board generally values the broad business experience and independent business judgment in the financial services or in other fields of each member. Specifically, with respect to Mr. Weis, the Board relies on his experiences as former chairman of commodities exchanges and his status as an audit committee expert. Mr. Sloane is qualified for the Board based on his experience as an executive of a publicly-traded bank. Mr. Dalton is qualified as a result of his long-time government and business experience.

In October 2009, Mr. Lutnick proposed that Mr. Curwood be nominated for election as a director at the Annual Meeting after Dr. Koshland indicated that she did not intend to stand for re-election due to scheduling conflicts. Mr. Lutnick discussed the nomination with the independent directors and all of such directors interviewed Mr. Curwood. Following these interviews and further discussions, on October 21, 2009, the Board of Directors unanimously approved the nomination of Mr. Curwood. In approving Mr. Curwood's nomination, the

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Board members cited Mr. Curwood's business experience, his qualifications in the global business world and his media experience. The Board also noted the strong recommendations of Mr. Lutnick and Dr. Koshland, both of whom serve on the Board of Managers of Haverford College with Mr. Curwood.

The Board of Directors has determined that in light of Mr. Lutnick's control of the vote of our company through his ownership interest in Cantor, having a separate Chairman and CEO is not efficient or appropriate for our company. Additionally, the Board does not have a lead independent director.

We believe that BGC Partners and its stockholders are best served by having Mr. Lutnick, our Chief Executive Officer, serve as Chairman of the Board of Directors. Mr. Lutnick's combined role as Chairman and Chief Executive Officer promotes unified leadership and direction for the Board and executive management and it allows for a single, clear focus for the chain of command to execute our strategic initiatives and business plans. Our strong and independent Board effectively oversees our management and provides vigorous oversight of our business and affairs and any proposed related party transactions. The Board is composed of independent, active and effective directors. Four of our five directors meet the independence requirements of the NASDAQ, the SEC and the Board's standards for determining director independence. Mr. Lutnick is the only member of executive management who is also a director. Requiring that the Chairman of the Board be an independent director is not necessary to ensure that our Board provides independent and effective oversight of our business and affairs. Such oversight is maintained at BGC Partners through the composition of our Board, the strong leadership of our independent directors and Board committees, and our highly effective corporate governance structures and processes already in place.

Executive Sessions

In order to comply with NASDAQ rules, the Board of Directors has resolved that it will continue to schedule at least two meetings a year in which the independent directors will meet without the directors who are executive officers of the Company.

Annual Meetings

The Board of Directors has not adopted any specific policy with respect to the attendance of directors at annual meetings of stockholders of the Company. At the 2009 annual meeting of stockholders, held on December 14, 2009, all of the Company's directors were in attendance.

Communications with our Board of Directors

Stockholders may contact any member of the Board of Directors, including to recommend a candidate for director, by addressing their correspondence to the director, c/o BGC Partners, Inc., 499 Park Avenue, New York, NY 10022, Attention: Secretary. The Secretary will forward all such correspondence to the named director. If you wish to submit any proposal to be considered at a meeting of stockholders, please follow the instructions set forth in the section below entitled "Stockholder Proposals."

The Board's Role in Risk Oversight

Risk is an integral part of the Board and Committee deliberations throughout the year. The Audit Committee oversees the management of our enterprise risk management program, and the Audit Committee annually reviews an assessment prepared by management of the critical risks facing us, their relative magnitude and management's actions to mitigate these risks.

Management implemented an enterprise risk management program to enhance our existing processes through an integrated effort to identify, evaluate and manage risks that may affect our ability to execute our corporate strategy and fulfill our business objectives. The activities of the enterprise risk management program

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entail the identification, prioritization and assessment of a broad range of risks (*e.g.*, strategic, operational, financial, legal/regulatory and reputational) and the formulation of plans to mitigate their effects.

Non-executive brokers are compensated based upon production, which may involve committing to certain transactions. These transactions may expose the Company to risks by individual brokers, who are motivated to increase production. While we have in place management oversight and risk management policies, there is an inevitable conflict of interest between our compensation structure and certain trading risks on a portion of our transactions.

EXECUTIVE OFFICERS

Our executive officers are appointed annually by our Board of Directors and serve at the discretion of our Board. In addition to Mr. Lutnick, who serves as a member of the Board, our executive officers, their respective ages and positions and certain other information with respect to each of them are as follows:

Shaun D. Lynn, 47, has been our President since April 2008. Until that time, Mr. Lynn had been President of BGC Partners, L.P. since 2004 and served as Executive Managing Director of Cantor from 2002 to 2004. Mr. Lynn also served as Senior Managing Director of European Government Bonds and Managing Director of Fixed Income from 1999 to 2002. From 1989 to 1999, Mr. Lynn held various business management positions at Cantor and its affiliates. Prior to joining Cantor in 1989, Mr. Lynn served as a Desk Head for Fundamental Brokers International in 1989 and was Associate Director for Purcell Graham from 1983 to 1989. Mr. Lynn is on the supervisory board of the Electronic Liquidity Exchange.

Stephen M. Merkel, 52, has been our Executive Vice President, General Counsel and Secretary since September 2001 and was our Senior Vice President, General Counsel and Secretary from June 1999 to September 2001. Mr. Merkel served as a director of our Company from September 2001 until October 2004. Mr. Merkel has been Executive Managing Director, General Counsel and Secretary of Cantor since December 2000 and was Senior Vice President, General Counsel and Secretary of Cantor from May 1993 to December 2000. Prior to joining Cantor, Mr. Merkel was Vice President and Assistant General Counsel of Goldman Sachs & Co. from February 1990 to May 1993. From September 1985 to January 1990, Mr. Merkel was an associate with the law firm of Paul, Weiss, Rifkind, Wharton & Garrison. Mr. Merkel is on the supervisory board of the Electronic Liquidity Exchange.

Anthony Graham Sadler, 54, has been our Chief Financial Officer since April 2009. Until that time, Mr. Sadler had been the Chief Financial Officer for Europe and Asia for both BGC Partners, Inc. and Cantor. From 1997 to 2008, Mr. Sadler held various positions in Bear Stearns, most recently serving as Chief Financial Officer and Chief Operating Officer of Bear Stearns-Europe from 2005 to 2008 and was a member of the European Executive Committee. Prior to that time, from 1983 to 1997, he was employed at Barclays Capital (and its predecessor de Zoete & Bevan) in a variety of finance positions, including two years as Director of Global Finance and two years as Divisional Director of the Markets Division. Mr. Sadler also trained with Peat Marwick Mitchell (now KPMG) in public accounting.

Sean A. Windeatt, 37, has been our Chief Operating Officer since January 2009. Mr. Windeatt has been Executive Managing Director and Vice President of BGC Partners since 2007 and served as a Director of Cantor Fitzgerald International from 2004 to 2007. Mr. Windeatt also served as a Business Manager and member of the finance department of Cantor Fitzgerald International from 1997 to 2003.

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COMPENSATION DISCUSSION AND ANALYSIS

Compensation Philosophy

Our executive compensation program is designed to integrate compensation with the achievement of our short-term and long-term business objectives and to assist us in attracting, motivating and retaining the highest quality executive officers and rewarding them for superior performance. Different programs are geared to short-term and longer-term performance with the goal of increasing stockholder value over the long term.

We believe that the compensation of our executive officers should reflect their success in attaining key corporate operating objectives, such as growth or maintenance of market position, success in attracting and retaining qualified brokers, increasing or maintaining revenues and/or profitability, developing new products and marketplaces, completing and integrating acquisitions, meeting established goals for operating earnings and earnings per share and maintaining and developing customer relationships and long-term competitive advantage. We also believe that executive compensation should reflect achievement of individual managerial objectives established for specific executive officers at the beginning of the fiscal year as well as reflect specific achievements by such individuals over the course of the year, such as development of specific products or customer relationships or executing or integrating specific acquisitions and strategic arrangements. We believe that the performance of the executives in managing our Company, considered in light of general economic and specific Company, industry and competitive conditions, should be the basis for determining their overall compensation.

We also believe that the compensation of our executive officers should not generally be based on the short-term performance of our Class A common stock, whether favorable or unfavorable, but rather that the price of our stock will, in the long term, reflect our operating performance and, ultimately, the management of our Company by our executives. We believe that the long-term performance of our stock is reflected in executive compensation through our stock options, restricted stock units (referred to as RSUs), REUs, PSUs and other equity and partnership award programs.

On April 1, 2008, BGC Partners, LLC (referred to as BGC Partners OldCo) and eSpeed, Inc. merged. We sometimes refer to the Company after its merger with eSpeed as the Combined Company. Prior to the merger, compensation for the executive officers of eSpeed was determined by the Compensation Committee of eSpeed. Elements of compensation for the executive officers of the Combined Company who were executive officers of BGC Partners OldCo, but not also executive officers of eSpeed, were determined by Cantor and its affiliates. For individuals who were executive officers of both eSpeed and BGC Partners OldCo, the portion of such executive officer's compensation paid by eSpeed was determined by eSpeed's Compensation Committee and the portion of such executive officer's compensation paid by BGC Partners OldCo was determined by Cantor and its affiliates. In some cases, executive compensation was paid at one rate by BGC OldCo and reduced to a rate established by the Special Committee effective as of the closing of the merger. This compensation structure was effective for 2008, but all executive compensation for 2009 was determined by the Compensation Committee of the Combined Company. The Compensation Committee is aware that certain of our executive officers, including Mr. Lutnick, also receive compensation from our affiliates, including Cantor, but it generally does not specifically review the nature or amount of such compensation.

Our Board of Directors (and the Compensation Committee) determined that Messrs. Lutnick, Lynn, Merkel, Sadler and Windeatt were our executive officers as of December 31, 2009. Mr. West ceased to be an executive officer on April 2, 2009.

Overview of Compensation and Process

Executive compensation is composed of the following principal components: (i) a base salary, which is designed to attract talented executive officers and contribute to motivating, retaining and rewarding individual performance; (ii) an incentive award under our Incentive Plan, which is intended to tie financial reward to the

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achievement of our short-term performance objectives; and (iii) a long-term incentive program under our Second Amended and Restated Long Term Incentive Plan (referred to as our Equity Plan) and the BGC Holdings Participation Plan, including options, RSUs, REUs, PSUs, RPU, PSIs and other equity and partnership awards, which is designed to promote the achievement of long-term performance goals and to align the long-term interests of our executive officers with those of our stockholders. From time to time, we have also used employment agreements, including some specified target or guaranteed bonus components, and discretionary bonuses to attract and retain talented executives, and we currently have employment agreements with our President, Shaun Lynn, our Chief Operating Officer, Sean Windeatt, and our Chief Financial Officer, Graham Sadler. Executive officers also receive health and dental insurance, life insurance, and disability coverage consistent with that offered to our other employees in the office in which such executive officer is primarily located.

Our Compensation Committee reviews and recommends to our Board of Directors that it approve the salaries, bonuses and other compensation of our executive officers. In addition, the Committee approves grants to executive officers and otherwise administers our Incentive Plan and Equity Plan and the Participation Plan.

From time to time, our Compensation Committee has engaged a compensation consultant in connection with its compensation decisions. In 2009, James F. Reda & Associates, LLC advised the Committee. The Committee retained the consultant to provide surveys and other information with respect to pay practices and compensation levels at our peer companies, and the Committee discussed with the consultant the base salary amounts, bonuses and equity and partnership awards for our executive officers for 2009. The Committee does not attempt to benchmark our executive compensation against any level, range, or percentile of compensation paid at any other companies, does not apply any specific measures of internal or external pay equity in reaching its conclusions, and does not employ tally sheets, wealth accumulation, or similar tools in its analysis.

We choose to pay each element of compensation in order to attract and retain the necessary executive talent, reward annual performance and provide incentives for our executive officers to focus on long-term strategic goals as well as short-term performance. The nature and amount of each element of compensation are determined by or under the direction of our Compensation Committee, which considers a number of factors to determine the salary, bonus and other compensation to pay each executive officer, including performance in light of individual and corporate objectives. Individual objectives include performance of general management responsibilities; maintenance and development of customer relationships and satisfaction; managing acquisitions and strategic relationships; application of individual skills in support of short-term and long-term achievement of our objectives; and overall management leadership. In addition, corporate operating objectives are considered in determining compensation policies, including achievement of revenues and profitability goals; improvement in market position or other financial results or metrics reported by us; strategic business criteria, including goals relating to acquisitions; stock price; and other matters, including the executive officer's role in the assessment and management of risk.

Our policy for allocating between currently paid and long-term compensation is to ensure adequate base compensation to attract and retain talented executive officers, while providing incentives to maximize long-term value for our Company and its stockholders. Likewise, we provide cash compensation in the form of base salary to meet competitive salary norms and reward superior performance on an annual basis and in the form of bonuses for achievement of specific short-term goals or in the discretion of the Compensation Committee. We provide equity and partnership awards to reward superior performance against specific objectives and long-term strategic goals and to assist in retaining executive officers and aligning their interests with those of our Company and its stockholders.

Base salaries for the following year are generally set for our executive officers at the year-end meetings of our Compensation Committee or in the early part of the applicable year. At these meetings, the Committee also approves the incentive bonuses under our Incentive Plan and any discretionary bonuses for executive officers and grants options, RSUs, REUs, RPU, PSUs PSIs or other equity or partnership awards under our Equity Plan

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and the Participation Plan to our executive officers. At the year-end Compensation Committee meetings, our Chairman and Chief Executive Officer, Mr. Lutnick, makes compensation recommendations to the Committee with respect to the other executive officers. Such executive officers are not present at the time of these deliberations. Mr. Lutnick also makes recommendations with respect to his own compensation as Chief Executive Officer. The Committee deliberates on compensation decisions with respect to all executive officers other than Mr. Lutnick in the presence of Mr. Lutnick, and separately in executive session with the compensation consultant engaged by the Committee as to all executive officers, including Mr. Lutnick. The Committee may accept or adjust Mr. Lutnick's recommendations and makes the sole determination of the compensation of all of our executive officers.

During the first quarter of each fiscal year, it has been the practice of our Compensation Committee to establish annual incentive performance goals for executive officers under the Incentive Plan, although the practice of the Committee has been to retain negative discretion to reduce or withhold any bonuses earned at the end of the year. All executive officers in office at that time are eligible to participate in the Incentive Plan.

We provide long-term incentives to our executive officers through the grant of options, RSUs and other equity grants under our Equity Plan and REUs, RPUs, PSUs, PSIs and other partnership awards under the Participation Plan. In addition, executive officers may receive a portion of their Incentive Plan bonuses in equity or partnership awards, rather than cash. To date, grants under our Equity Plan and the Participation Plan have had time-based, rather than performance-based, vesting schedules, although both plans are flexible enough to provide for performance-based awards.

In designing and implementing our executive compensation program, our Compensation Committee considers our Company's operating and financial objectives, including our risk profile, and the effect that its executive compensation decisions will have on encouraging our executive officers to take an appropriate level of business risk consistent with our overall goal of enhancing long-term stockholder value. In particular, the Committee considers those business risks identified in our risk factors and the known trends and uncertainties identified in our management discussion and analysis, and considers how our executive compensation program serves to achieve our operating and financial objectives while at the same time mitigating any incentives for our executive officers to engage in excessive risk-taking to achieve short-term results that may not be sustainable in the long term.

In attempting to strike this balance, our Compensation Committee seeks to provide our executive officers with an appropriately diversified mix of fixed and variable cash and non-cash compensation opportunities, time-based and performance-based awards, and annual and long-term incentives. In particular, our performance-based bonuses under our Incentive Plan have focused on a mix of Company-wide and product-specific operating and financial metrics, in some cases based upon our absolute performance and in other cases based upon our performance relative to our peer group. In addition, our Incentive Plan award opportunities provide for the exercise of considerable negative discretion by the Committee to reduce, but not increase, amounts granted to our executive officers under the Plan, and to take individual as well as corporate performance into account in exercising that discretion. Further, the Committee retains the discretion to pay out any amounts finally awarded under the Plan in equity or partnership awards, including RSUs, REUs, RPUs, PSUs or PSIs, rather than cash, and to include restrictions on vesting and resale in any such equity or partnership awards.

In recent years, our Compensation Committee has eliminated the grant of options, limited the grant of RSUs and emphasized instead REUs and PSUs for our executive officers. In the Committee's view, REUs and PSUs provide the most appropriate long-term incentives to our executives.

Since the merger in 2008, our Compensation Committee has made considerable use of REUs granted under the Participation Plan as a tax-efficient, strongly retentive, and risk-appropriate means to align the interests of our executive officers with those of our long-term stockholders. REUs are non-transferable partnership interests in our BGC Holdings subsidiary, entitling the holder to quarterly distributions of our distributable earnings, with a post-termination payment amount equal to the value of one share of our Class A common stock on the date of grant. The post-termination payment amount of REUs is typically subject to a three-year vesting schedule, and

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the holder is not entitled to the post-termination payment amount with respect to vested REUs until after he or she terminates as an employee. Even then, the post-termination amount is typically paid out over a four-year period, during which the payments are subject to forfeiture for the violation of non-competition, non-solicitation, confidentiality and other partnership covenants set forth in the BGC Holdings partnership agreement and in the award itself. The Committee, with the consent of Cantor, also has the discretion to cause the REUs to become exchangeable, on a one-to-one basis (subject to adjustment), either during or after employment, for shares of our Class A common stock, which may be subject to further restriction on resale. In 2010, we introduced PSUs, which are similar to REUs, including with respect to potential exchangeability, except that they do not have a post-termination payment amount. The Committee has made two awards of PSUs to executive officers in 2010 as part of their 2009 bonuses under our Incentive Plan and two awards of PSUs to executive officers in 2010 as part of their discretionary bonuses for 2009.

During March 2010, we began a global partnership redemption and compensation restructuring program to enhance our employment arrangements by leveraging our unique partnership structure. Under this program, participating partners generally agree to extend the lengths of their employment agreements, to accept a larger portion of their compensation in partnership units and to other contractual modifications sought by us. Also as part of this program, we redeemed limited partnership units for cash and/or other units and granted exchangeability to certain units. Additionally, during 2010, we completed a global compensation restructuring program related to the modification of pre-merger contractual arrangements which accelerated the amortization of the associated deferred compensation expense.

At the same time as these programs, we restructured the compensation of two of our executive officers, Messrs. Lynn and Windeatt. In March 2010, our Compensation Committee approved the action of Cantor, as Majority in Interest Exchangeable Limited Partner under the BGC Holdings, L.P. Amended and Restated Agreement of Limited Partnership, to accelerate the vesting of exchangeability of 406,359 exchangeable founding partner units held by Mr. Lynn, which vesting would otherwise have occurred on April 1, 2010. In addition, on March 26, 2010, the Company repurchased from Mr. Lynn 500,000 shares of our Class A common stock, which Mr. Lynn had acquired upon exchange of exchangeable founding partner units in February 2010, for an aggregate cash payment of \$2,994,000, based on the per share closing price of our Class A common stock on such date.

Also on March 26, 2010, pursuant to a letter agreement between Mr. Lynn and the Company's BGC Holdings subsidiary, BGC Holdings redeemed from Mr. Lynn all of Mr. Lynn's 702,625 non-exchangeable REUs, which had an aggregate post-termination payment amount of \$3,500,000 and were granted to him in April, September and December 2008, for an aggregate cash payment of \$946,649 and an additional \$3,260,670 award in the form of 544,534 non-exchangeable PSUs, based on the per share closing price of our Class A common stock on such date. Pursuant to the agreement, BGC Holdings also redeemed from Mr. Lynn 133,105 of the aggregate of 591,577 non-exchangeable PSUs granted to Mr. Lynn in February and March 2010 for an aggregate cash payment of \$797,033 based on the per share closing price of our Class A common stock on such date. Mr. Lynn also entered into an amendment to his employment agreement, dated March 26, 2010, with the Company's subsidiary, BGC Brokers L.P. Pursuant to the amendment, and in connection with the repurchase of Mr. Lynn's shares and redemption of Mr. Lynn's REUs and PSUs, Mr. Lynn acknowledged and agreed (i) that any contingent non-cash award payable to him pursuant to Section 3(d) of his employment agreement may be in the form of PSUs, and any grant to be awarded to him in 2010 and thereafter may be in the form of PSUs or such other award types as determined by us; and (ii) that the value of a PSU award shall be deemed to be the result of the number of units represented by the PSU award multiplied by the closing price of our Class A common stock on the date of the final determination of the award.

Pursuant to a letter agreement, dated March 29, 2010, between Mr. Windeatt and BGC Holdings, BGC Holdings redeemed from Mr. Windeatt all of Mr. Windeatt's 70,424 non-exchangeable REUs, which had an aggregate post-termination payment amount of \$282,157 and were granted to him in April 2008 and January 2009, for an aggregate cash payment of \$94,880 and an additional \$326,819 award in the form of 54,579 non-exchangeable PSUs. Pursuant to the agreement, BGC Holdings also redeemed from Mr. Windeatt 13,026 non-exchangeable founding partner units, which Mr. Windeatt had received in connection with the Company's

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April 2008 merger, for an aggregate cash payment of \$78,000 based on the per share closing price of our Class A common stock on such date. In addition, on March 19, 2010, our Compensation Committee approved an immediate cash payment to Mr. Windeatt of \$165,165 (£110,000) in cancellation of the \$330,330 (£220,000) to which Mr. Windeatt would otherwise have been entitled in 2010 pursuant to a salary modification arrangement entered into by Mr. Windeatt in 2007. Finally, the Committee approved a continuation of Mr. Windeatt's car allowance, car insurance allowance, and apartment lease for 2010 in an aggregate amount not to exceed \$97,598 (£65,000) or, in the alternative, a payment to him of such amount in cash.

Finally, our executive officers have much of their personal net worth invested in our equity and partnership interests and, in the case of Messrs. Lutnick and Merkel, in additional partnership interests in our parent Cantor, which, through ownership of both shares of our Class A and Class B common stock and exchangeable partnership interests in BGC Holdings, owns a 41.2% economic interest in our Company's operations. While we do not have a general compensation recovery or clawback policy, and do not require our executive officers to meet general share ownership or hold-through-retirement requirements, our Compensation Committee believes that our mix of compensation elements, the design features of our Incentive Plan, and our substantial use of REUs and PSUs described above help to ensure that our executive officers focus on the long-term best interests of our Company and its stockholders, with appropriate incentives to avoid taking excessive risks in pursuit of unsustainable short-term results.

In determining the allocation between current and long-term compensation for a given executive officer, our Compensation Committee may also take into consideration tax and other rules in the jurisdiction where such executive officer resides. This is of particular importance with respect to our executive officers who reside overseas, and both our Equity Plan and the Participation Plan are flexible enough to provide for the creation of sub-plans to address specific country situations.

We generally intend that compensation paid to our Chief Executive Officer and our other executive officers not be subject to the limitation on tax deductibility under Section 162(m) of the U.S. Internal Revenue Code of 1986 (referred to as the Code) so long as this can be achieved in a manner consistent with our Compensation Committee's other objectives. Subject to certain exceptions, Section 162(m) eliminates a corporation's tax deduction in a given year for payments to certain executive officers in excess of \$1 million, unless the payments are qualified performance-based compensation as defined in Section 162(m). We periodically review the potential consequences of Section 162(m) and may structure the performance-based portion of our executive compensation to comply with certain exemptions in Section 162(m). However, the Compensation Committee retains negative discretion to reduce or withhold bonus compensation to our executive officers and also reserves the right to use its judgment to authorize compensation payments that do not comply with the exemptions in Section 162(m) when it believes that such payments are appropriate, after taking into consideration changing business conditions or the executive officer's individual performance.

Our management and our Compensation Committee recognize that we are subject to certain FASB guidance on share-based awards and other accounting charges with respect to the compensation of our executive officers and other employees. However, our management and the Committee do not believe that these accounting charges should necessarily determine the appropriate types and levels of compensation to be made available. Where material to the Committee's decisions, these accounting charges will be described in our compensation discussion and analysis (referred to as the CD&A), compensation tables and related narratives.

Our Compensation Committee may grant equity and partnership awards to our executive officers in a variety of ways under our Equity Plan and the Participation Plan, including equity grants under our Equity Plan and equity and non-equity grants in the form of partnership unit awards under the Participation Plan. Grants of such awards may have different accounting treatment and may be reported differently in the CD&A, compensation tables, and related narratives depending upon the type of award granted and how and when it is granted.

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Base Salary

We believe that the retention of executive officers who have developed the skills and expertise required to successfully lead our organization is vital to our competitive strength. We further believe that attracting other key employees who can supplement the efforts of our existing executives is absolutely critical.

To this end, it is our policy to generally establish base pay at levels comparable to our peer group companies which employ similarly skilled personnel, including Compagnie Financiere Tradition, GFI Group Inc., ICAP plc and Tullett Prebon plc. While we determine these levels by reviewing publicly available information with respect to our peer group of companies and others, we have not traditionally engaged in benchmarking. Our executive officers receive base salaries intended to reflect their skills, expertise and responsibilities. Subject to any applicable employment agreements, base salaries and subsequent adjustments, if any, will be reviewed and approved by our Compensation Committee annually, based on a variety of factors, which may include, from time to time, a review of relevant salaries of executives at our peer group of companies and each executive officer's individual performance for the prior year, including each executive officer's experience and responsibilities.

Base Salaries for 2009

In setting base salaries for 2009, we considered the qualifications, experience and responsibilities of our executive officers. Base salary rates for 2009 equaled \$1,000,000 each for Messrs. Lutnick, Lynn and Merkel and \$310,040 (£200,000) for Mr. Windeatt. Mr. West's base salary was \$137,804 through April 2, 2009. On April 2, 2009, Mr. Sadler replaced Mr. West as our Chief Financial Officer and received a base salary rate of \$310,040 (£200,000), or \$232,530 for the nine months.

During 2009, Mr. Lutnick spent approximately 50% of his time on Company matters. Mr. Merkel spent approximately 50% of his time on Company matters. Messrs. Lynn, Windeatt and, through April 2, 2009, West each spent 100% of his time on Company matters, and, beginning on April 2, 2009, Mr. Sadler spent approximately 75% of his time on Company matters. A portion of Mr. Sadler's compensation is charged out to the other entities that he supports.

Base Salaries for 2010

Base salary rates for 2010 were established in December 2009 by our Compensation Committee and were continued at \$1,000,000 each for Messrs. Lutnick, Lynn and Merkel. The base salary rates for each of Messrs. Windeatt and Sadler were increased to \$444,084 (£275,000) in order to reflect their additional responsibilities and value to the Company.

In 2010, Mr. Lutnick and Mr. Merkel are spending approximately 50% of their time on Company matters, although these percentages have varied depending upon business developments at the Company or Cantor or any of their affiliates. Messrs. Lynn and Windeatt are each spending 100% of their time on Company matters. Mr. Sadler is spending approximately 75% of his time on Company matters.

Bonus Compensation

We believe that compensation should vary with corporate and individual performance and that a significant portion of compensation should continue to be linked to the achievement of business goals. Our Incentive Plan provides a means for the payment of Section 162(m) qualified performance-based compensation in the form of bonuses to our executive officers while preserving our tax deduction.

Each year, our Compensation Committee specifies the applicable performance criteria and targets to be used under the Incentive Plan for each performance period. These performance criteria, which may vary from participant to participant, will be determined by the Committee and may be based on one or more of the following financial performance measures:

pre-tax or after-tax net income;

pre-tax or after-tax operating income;

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gross revenues;

profit margin;

stock price;

cash flows;

market share;

pre-tax or after-tax earnings per share;

pre-tax or after-tax operating earnings per share;

expenses;

return on equity; or

strategic business criteria, consisting of one or more objectives based upon meeting specific revenue, market penetration, or geographic business expansion goals, cost targets and goals relating to acquisitions or divestitures.

The actual Incentive Plan bonus awarded to any given participant at the end of a performance period is based upon the extent to which the applicable performance goals for such performance period are achieved, subject to the exercise of negative discretion by the Committee, and may be paid in cash or in equity or partnership awards.

In addition, from time to time, our Compensation Committee may provide for target or guaranteed bonuses in employment agreements in order to attract and retain talented executives, or may grant ad hoc discretionary bonuses when an executive officer is not eligible to participate in the Incentive Plan award opportunities for that performance period or when it otherwise considers such bonuses to be appropriate. Such bonuses may also be paid in cash or in equity or partnership awards.

Incentive Plan Bonus Goals for 2009

In the first quarter of 2009, our Compensation Committee determined that the executive officers of the Company in office at the time, including Messrs. Lutnick, Lynn, Merkel, Windeatt and West, would be participating executives for 2009 in our Incentive Plan. The Committee used the same performance criteria for all executive officers and set each executive officer's 2009 bonus opportunity at a maximum of \$10,000,000, which was the maximum annual amount allowed for 2009 for each individual pursuant to the terms of the Incentive Plan, provided that (i) the Company achieves operating profits or distributable earnings for 2009, as calculated on substantially the same basis as the Company's earnings release for 2008, or (ii) the Company achieves improvement or percentage growth in gross revenue or total transaction volumes for any product as compared to 2008 over any of its previously-identified peer group members, as reported in the Company's 2009 earnings release and compared to the most recently available peer group information. Distributable earnings is defined as set forth in the Company's earnings release from time to time.

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Our Compensation Committee, in its sole and absolute discretion, retained the right to reduce the amount of any Incentive Plan bonus payment based upon any factors it determined, including other discretionary bonuses or equity or partnership awards granted to the individual, regardless of whether the pre-set performance goals were achieved. In most years, the Committee expects to pay bonuses under the Incentive Plan at a level considerably lower than the \$10,000,000 annual per-person limit of the award opportunities. In addition to the Incentive Plan bonuses described above, during 2009 the executive officers were eligible for additional incentive compensation, including discretionary bonuses and equity and partnership awards.

Bonuses Awarded for 2009

In December 2009, having decided that both pre-set Incentive Plan performance goals for 2009 were expected to be met for 2009, our Compensation Committee awarded Mr. Lutnick a bonus under the Incentive Plan of \$7,500,000, paid \$2,000,000 in cash and \$5,500,000 in the form of 1,190,476 non-exchangeable REUs,

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which vest ratably over a 3-year period. In December 2009, the Committee also awarded Mr. Merkel a bonus under the Incentive Plan of \$1,000,000, paid \$500,000 in cash and \$500,000 in the form of 108,225 non-exchangeable REUs, which vest ratably over a three-year period.

In February 2010, our Compensation Committee awarded Mr. Lynn a bonus for 2009 under the Incentive Plan of \$3,000,000, paid \$1,000,000 in cash and \$2,000,000 in the form of 481,928 non-exchangeable PSUs. In March 2010, the Committee awarded Mr. Windeatt an Incentive Plan bonus for 2009 of \$750,750 (£500,000), paid \$150,150 in cash and \$600,600 in the form of 105,368 non-exchangeable PSUs.

Mr. Sadler, who became an executive officer on April 2, 2009, was not eligible to participate in the Incentive Plan for 2009 because he was not an executive officer during the first three months of 2009. Mr. West, who left the Company on April 2, 2009, was not eligible for an award under the Incentive Plan for 2009 because he was not an executive officer at year end.

In its discretion, our Compensation Committee awarded bonuses for 2009 under the Incentive Plan based upon achievement of both pre-set performance goals established in the first quarter of 2009. Variations in bonus awards for individual executive officers were based upon the Committee's exercise of negative discretion. In exercising its discretion, the Committee considered, as to each individual executive officer, the executive officer's responsibilities, general performance, quality of work, management and motivation of employees and other factors relevant to the individual, including participation in certain significant initiatives in 2009, and the general status of the economy, the performance of the Company and trends in the marketplace. In particular, for 2009, the Committee considered the pay practices of the Company's peer group, including a compensation survey prepared by the compensation consultant, changes in pre-tax operating earnings per share from the prior year, individual contributions toward achievement of strategic goals and our overall financial and operating results.

In determining the 2009 Incentive Plan bonus for Mr. Lutnick, our Compensation Committee focused specifically on changes in our pre-tax operating earnings and distributable earnings from 2008 to 2009. In reducing Mr. Lutnick's Incentive Plan bonus to \$7,500,000 from the \$10,500,000 that he received in 2008, including his Incentive Plan bonus, discretionary bonus and other REU awards, the Committee considered the Company's overall performance as compared to 2008. In awarding Mr. Lynn a \$3,000,000 bonus under the Incentive Plan for 2009, compared to the \$5,995,000 that he received in 2008, including his Incentive Plan bonus, discretionary bonus and other REU awards, the Committee considered our 2009 operating results, as well as the provisions of his employment agreement. With respect to Mr. Merkel, in awarding him a 2009 bonus under the Incentive Plan of \$1,000,000, compared to the \$1,052,500 that he received in 2008, including his Incentive Plan bonus, discretionary bonus and other REU awards, the Committee considered our 2009 operating results, balanced with his significant role in managing various litigation in which the Company has been engaged in 2009.

In awarding Mr. Windeatt a 2009 bonus under the Incentive Plan of \$750,750 (£500,000), the Committee considered our 2009 operating results and his recent appointment as an executive officer; Mr. Windeatt did not participate in the Incentive Plan in 2008.

For 2009, our Compensation Committee awarded discretionary cash bonuses, or partnership unit awards in lieu of cash bonuses, to Messrs. Lynn, Windeatt, and Sadler. In March 2010, the Committee awarded Mr. Lynn a discretionary bonus for 2009 of \$1,250,000, paid \$625,000 in cash and \$625,000 in the form of 109,649 non-exchangeable PSUs in addition to the \$3,000,000 Incentive Plan award for 2009 that he received in February 2010. In January 2009, Mr. Windeatt received a discretionary bonus for 2009 of \$161,802 in the form of 58,624 non-exchangeable REUs, with an aggregate post-termination payment amount of \$161,802 upon his appointment as an executive officer effective January 1, 2009. In March 2010, the Committee awarded Mr. Sadler a discretionary bonus for 2009 of \$345,345 (£230,000), paid \$210,210 in cash and \$135,135 in the form of 23,708 non-exchangeable PSUs. Mr. Sadler, who was not eligible to participate in the Incentive Plan for 2009, received his discretionary bonus for his performance from April 2, 2009 through the end of the year.

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For 2009, the Incentive Plan and discretionary cash bonuses for individual executive officers as a percentage of the overall total cash compensation paid to such executive officers by the Company was 66.7% to Mr. Lutnick, 61.9% to Mr. Lynn, 33.3% to Mr. Merkel and 32.6% to Mr. Windeatt. For Mr. Sadler, his discretionary cash bonus was 47.5% of his overall total cash compensation for 2009.

Incentive Plan Bonus Goals for 2010

In the first quarter of 2010, our Compensation Committee determined that the executive officers of the Company, including Messrs. Lutnick, Lynn, Merkel, Windeatt and Sadler, would be participating executives for 2010 in our Incentive Plan. The Committee used the same performance criteria for all executive officers and set 2010 bonus opportunities at a maximum of \$10,000,000, which will be the maximum annual amount allowed for 2010 for each individual pursuant to the terms of the Incentive Plan, provided that (i) the Company achieves operating profits or distributable earnings for 2010, as calculated on substantially the same basis as the Company's earnings release for 2009, or (ii) the Company achieves improvement or percentage growth in gross revenue or total transaction volumes for any product as compared to 2009 over any of its previously identified peer group members, as reported in the Company's 2010 earnings release and compared to the most recently available peer group information. The Committee, in its sole and absolute discretion, retained the right to reduce the amount of any Incentive Plan bonus payment based upon any factors it determines, including other discretionary bonuses or equity or partnership awards granted to the individual, regardless of whether the pre-set performance goals are achieved. In addition to the Incentive Plan bonuses described above, during 2010 the executive officers also will be eligible for additional incentive compensation, including discretionary bonuses and equity and partnership awards.

Equity and Partnership Awards

It is our general policy to award RSUs, REUs, RPUs, PSUs, PSIs and other equity or partnership awards to our executive officers in order to align their interests with those of our long-term investors and to help attract and retain qualified individuals. Our Equity Plan and the Participation Plan are designed to reward and motivate employees and to provide us with optimal flexibility in the way that we do so. Our Equity Plan permits our Compensation Committee to grant stock appreciation rights, deferred stock such as RSUs, bonus stock, performance awards, dividend equivalents, and other stock-based awards, including to provide shares of our Class A common stock upon exchange of compensatory partnership units such as REUs, RPUs, PSUs, PSIs and founding partner units. Our Equity Plan, as amended and restated, was most recently approved by our stockholders at our 2009 Annual Meeting of Stockholders on December 14, 2009. The Participation Plan provides for the grant or sale of BGC Holdings limited partnership units, including REUs, RPUs, PSUs, PSIs and other partnership units. The total number of BGC Holdings limited partnership units issuable under the Participation Plan will be determined from time to time by our Board of Directors, provided that units exchangeable for or otherwise representing the right to acquire shares of our Class A common stock may only be granted pursuant to other stock-based awards granted under our Equity Plan. Partnership units in BGC Holdings are entitled to participate in quarterly distributions of distributable earnings from BGC Holdings. We view these incentives as an effective tool in motivating, rewarding and retaining our executive officers.

We intend that our Equity Plan and the Participation Plan will be the primary vehicles for offering long-term equity and partnership awards to motivate and reward our executive officers, including where our Compensation Committee pays bonuses under the Incentive Plan and discretionary bonuses in the form of equity or partnership awards under the Equity Plan or Participation Plan, as described above. We also regard our equity and partnership award program as a key retention tool. This is a very important factor in our determination of the type of award to grant and the number of any underlying shares covered by the award.

We believe that it is important that we have available various forms of equity and partnership awards in order to motivate, reward and retain our executive officers, and our Compensation Committee retains the right to grant a combination of forms of equity and partnership awards under our Equity Plan and the Participation Plan to executive officers as it considers appropriate or to differentiate among executive officers with respect to different types of awards. The Committee has also granted authority to Mr. Lutnick, our Chairman and Chief

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Executive Officer, to grant awards to non-executive officer employees of our Company under the Equity Plan and Participation Plan and to establish sub-plans for such persons.

In recent years, our Compensation Committee has granted RSUs under the Equity Plan, rather than options, and REUs and PSUs under the Participation Plan to our executive officers. RSUs generally have dividend equivalents beginning with the first full quarter in which they are outstanding, although certain grants may have different terms and certain sub-plans may be established from time to time in different jurisdictions to comply with local law. RSUs are generally granted and priced on the same date and terms, whether the grants are to executive officers or other employees, although the Committee and Mr. Lutnick retain discretion to provide for different terms for individual situations, and from time to time the Company may offer compensation enhancements or modifications to employees that it does not offer to its executive officers.

Executive officers and other employees are also expected to be granted partnership awards, including REUs, RPU, PSUs and PSIs, under the Participation Plan, or offered the opportunity to make contributions to BGC Holdings in exchange for partnership units. To the extent that such partnership units or founding partner units are made exchangeable for shares of our Class A common stock, the shares are provided pursuant to grants of other stock-based awards under our Equity Plan. Partnership units in BGC Holdings are entitled to participate in quarterly distributions of distributable earnings from BGC Holdings. Our Compensation Committee and Mr. Lutnick will have the discretion to determine the price of any purchase right for partnership units, which may be set at preferential or historical prices that are less than the prevailing fair market value of our Class A common stock. These partnership units are generally granted and priced on the same date and terms, whether the grants are to executive officers or other employees, although the Committee and Mr. Lutnick retain discretion to provide for different terms for individual situations, and from time to time the Company may offer compensation enhancements or modifications to employees that it does not offer to its executive officers.

Equity and Partnership Awards Granted in 2009 Unrelated to Bonuses

In addition to equity and partnership awards granted in payment of Incentive Plan and discretionary bonus amounts, we may grant equity and partnership awards to our executive officers in a specified number of awards based upon prior performance, the importance of retaining their services and the potential for their performance to help us attain our long-term goals. However, there is no set formula for the granting of such awards to individual executive officers. Our Compensation Committee believes that awards for our executive officers will have the long-term effect of maximizing our stock price and stockholder value.

No options or RSUs were granted to our executive officers in 2009. During 2009, only Mr. Sadler received an award of REUs that was not in payment of an Incentive Plan or discretionary bonus. In March 2009, Mr. Sadler received a grant of 41,690 non-exchangeable REUs, with an aggregate post-termination payment amount of \$69,205, prior to his becoming our Chief Financial Officer on April 2, 2009. These REUs vest ratably over a three-year period.

Timing of Grants

Equity and partnership awards to our executive officers that are in payment of Incentive Plan or discretionary bonuses are typically granted in conjunction with our Compensation Committee's annual review of Company and individual performance of our executive officers, although interim grants may be considered and approved from time to time. The Committee's annual review generally takes place at year-end meetings, which are generally held in December each year, or early in the next year, although they may be held at any time and from time to time throughout the year. Our policy is generally to award year-end grants to all employee recipients on the same date and at the same price as grants to our executive officers, although to the extent that non-executive compensation is determined at later periods, the dates of grants may differ. Grants of a specified number of awards may be made on a mid-year or other basis in the event of business developments, changing compensation requirements or other factors, subject to the approval of the Committee. Grants, if any, to newly hired employees are effective on the employee's first day of employment. The exercise price of all stock options is set at the closing price of our Class A common stock on NASDAQ on the date of grant. With respect to RSUs, REUs, RPU, PSUs, PSIs or other equity

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or partnership awards, grants are generally made based on a dollar value, and, where applicable, the number of units is generally determined using the closing price of our Class A common stock on NASDAQ on the date of grant.

Perquisites

Historically, from time to time, we have provided certain of our named executive officers with perquisites and other personal benefits that we believe are reasonable. While we do not view perquisites as a significant element of our executive compensation program, we do believe that they can be useful in attracting, motivating and retaining the executive talent for which we compete. From time to time, these perquisites might include travel, transportation and housing benefits, particularly for executives who live overseas and travel frequently to our other office locations. We believe that these additional benefits may assist our executive officers in performing their duties and provide time efficiencies for our executive officers in appropriate circumstances, and we may consider their use in the future. All present or future practices regarding perquisites will be subject to periodic review by our Compensation Committee.

The perquisites and other personal benefits, if any, provided to our current named executive officers generally have not had an aggregate incremental cost to us per individual that exceeds \$10,000. Certain executive officers working in our London headquarters have also received the use of parking spaces allocated to our headquarters lease, and in some cases, we have provided to certain executive officers in London a car allowance, car insurance allowance and an apartment lease, which in certain circumstances has tax benefits to the employee in the U.K.

We offer medical, dental, life insurance and short-term disability to all employees on a non-discriminatory basis. Medical insurance premiums are charged to employees at varying levels based on total cash compensation, and all of our executive officers were charged at the maximum contribution level in light of their compensation. Certain of our executive officers living in London have in the past received certain additional private medical benefits.

Post-Employment Compensation

Pension Benefits

We do not currently provide pension arrangements or post-retirement health coverage for our employees, although we may consider such benefits in the future.

Retirement Benefits

Our executive officers in the U.S. are generally eligible to participate in our 401(k) contributory defined contribution plan, which we refer to as our Deferral Plan. Pursuant to the Deferral Plan, all U.S. eligible employees, including executive officers, are provided with a means of saving for their retirement. We currently do not match any of our employees' contributions to our Deferral Plan.

Nonqualified Deferred Compensation

We do not provide any nonqualified deferred compensation plans to our employees, although we may consider such benefits in the future.

COMPENSATION COMMITTEE REPORT

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis (referred to as the CD&A) set forth in this Proxy Statement with management of the Company and, based on such review and discussions, the Committee recommended to the Company's Board of Directors that the CD&A be included in this Proxy Statement.

Dated: November 1, 2010

THE COMPENSATION COMMITTEE

Barry R. Sloane, Chairman
John H. Dalton
Stephen T. Curwood

Table of Contents**Executive Compensation****Summary Compensation Table**

(a) Name and Principal Position	(b) Year	(c) Salary (\$)	(d) Bonus (\$)(1)	(e) Stock Awards, REUs and Founding Partner Units (\$)(2)	(f) Option Awards (\$)(3)	(g) Non-Equity Incentive Plan Compensation (\$)(4)	(h) Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$)	(i) All Other Compensation (\$)(8)	(j) Total (\$)
Howard W. Lutnick, Chairman of the Board and Chief Executive Officer	2009	1,000,000				7,500,000			8,500,000
	2008	2,000,000	3,000,000	3,000,000		4,500,000			12,500,000
	2007	5,000,000			4,947,200	500,000			10,447,200
Shaun D. Lynn, President	2009	1,000,000	1,250,000			3,000,000			5,250,000
	2008	1,113,750	1,000,000	3,850,000		3,495,000			9,458,750
	2007	1,505,469	1,538,942					3,265	3,047,676
Stephen M. Merkel, Executive Vice President, General Counsel and Secretary	2009	1,000,000				1,000,000			2,000,000
	2008	975,000	552,500			500,000			2,027,500
	2007	925,500	397,833	100,000		200,000			1,623,333
Sean A. Windeatt, Chief Operating Officer(5)	2009	310,040	161,802			750,750		84,352	1,306,944
A. Graham Sadler, Chief Financial Officer(6)	2009	232,530	345,345	69,205					647,080
Robert K. West, Former Chief Financial Officer(7)	2009	137,804							137,804
	2008	528,415	383,797						912,212
	2007	318,667	200,000						518,667

- (1) The bonus amounts for 2009 reflect a discretionary bonus to Mr. Lynn in March 2010 of \$1,250,000, paid \$625,000 in cash and \$625,000 in the form of 109,649 non-exchangeable PSUs; a discretionary bonus to Mr. Windeatt in January 2009 of \$161,802 in the form of 58,624 non-exchangeable REUs, with an aggregate post-termination payment amount of \$161,802; and a discretionary bonus to Mr. Sadler in March 2010 of \$345,345, paid \$210,210 in cash and \$135,135 in the form of 23,708 non-exchangeable PSUs. The bonus amounts for 2008 also reflect the following REU awards in payment of discretionary bonuses: Mr. Lutnick, a \$2,000,000 award in the form of 350,263 non-exchangeable REUs; Mr. Lynn, a \$500,000 award in the form of 87,566 non-exchangeable REUs; Mr. Merkel, a \$427,500 award, in the form of 41,912 non-exchangeable REUs; and Mr. West, a \$225,000 award in the form of 21,105 non-exchangeable REUs. Mr. West also received a \$133,797 award in the form of 11,387 RSUs. The REUs awarded to Messrs. Lutnick and Lynn vested immediately upon grant, and the REUs and the RSUs awarded to Messrs. Merkel and West vest ratably over a three-year period. The vesting of Mr. West's REUs and RSUs was accelerated in connection with his employment and separation agreement. More information with respect to REUs and RSUs is included in the footnotes to our audited consolidated financial statements included in Item 8 of our 2009 Annual Report on Form 10-K. The bonus amounts for 2008 reflect the following discretionary cash bonuses: Mr. Lutnick \$1,000,000; Mr. Lynn \$500,000; Mr. Merkel, \$125,000; Mr. West, \$25,000.
- (2) The amounts in column (e) reflect the grant date fair value of RSUs, REUs and founding partner units awarded for services to eSpeed or BGC Partners OldCo or the Combined Company pursuant to our Equity Plan, the Participation Plan or otherwise. Pursuant to SEC rules, the amounts shown exclude the impact of estimated forfeitures. The amounts for 2009 reflect the grant date fair value of 41,690 non-exchangeable REUs, which vest ratably over a three-year period, granted in March 2009 to Mr. Sadler, having a post-termination payment amount of \$69,205. The amounts for 2008 reflect the grant date fair value of 265,487 and 132,744 non-exchangeable REUs granted upon the closing of the merger in April 2008 to Messrs. Lutnick and Lynn, respectively, having post-termination payment amounts of \$3,000,000 and \$1,500,000, respectively. In addition, the amounts for 2008 also reflect the grant date fair value of 200,000 founding partner units granted upon the closing of the merger in April 2008 to Mr. Lynn, having a grant date fair value of \$2,350,000. The amounts in column (e) do not include the purchase of founding partner units and distribution rights, as applicable, from Messrs. Lynn and Merkel or the provision of additional founding partner unit exchange rights to Mr. Lynn in 2008 in connection with the separation and the merger. The compensation charges that we incurred in 2008 with respect to Messrs. Lynn and Merkel in connection with the purchase of founding partner units and distribution rights and with the provision of additional founding partner unit exchange rights to Mr. Lynn were as follows: Mr. Lynn, \$24,045,873, consisting of \$9,743,584 for the purchase of founding partner units and distribution rights and \$14,302,289 for the provision of additional founding partner unit exchange rights; and Mr. Merkel,

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\$351,734 for the purchase of distribution rights. The compensation charge for Mr. Lynn was calculated based on 532,432 founding partner units and 569,666 distribution rights purchased at a purchase price per unit or distribution right of \$11.75, which was the closing price of our Class A common stock on the date of the merger, less Mr. Lynn's basis in the units and distribution rights required to settle outstanding debt, and on a price per additional founding partner unit exchange right provided to Mr. Lynn of \$11.75. The compensation charge for Mr. Merkel was calculated based on 39,693 distribution rights purchased at a purchase price per distribution right of \$11.75, less Mr. Merkel's basis in the distribution rights required to settle outstanding debt.

- (3) The amount in column (f) reflects the grant date fair value of options granted pursuant to the Equity Plan. Pursuant to SEC rules, the amount shown excludes the impact of estimated forfeitures. More information with respect to the calculations of this amount is included in the footnotes to our audited consolidated financial statement included in Item 8 of our 2009 Annual Report on Form 10-K. This amount reflects the fair value of the awards and does not correspond to the actual value that will be recognized by the named executive officer.

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- (4) The amounts in column (g) reflect the awards to the named executive officers under the Incentive Plan. For 2009, Mr. Lutnick's Incentive Plan bonus was paid \$2,000,000 in cash and \$5,500,000 in the form of 1,190,476 non-exchangeable REUs; Mr. Lynn's Incentive Plan bonus was paid \$1,000,000 in cash and \$2,000,000 in the form of 481,928 non-exchangeable PSUs; Mr. Merkel's Incentive Plan bonus was paid \$500,000 in cash and \$500,000 in the form of 108,225 non-exchangeable REUs; and Mr. Windeatt's Incentive Plan bonus was paid \$150,150 in cash and \$600,600 in the form of 105,368 non-exchangeable PSUs.
- (5) Mr. Windeatt was appointed our Chief Operating Officer effective January 1, 2009. Mr. Windeatt's base salary for 2009 was £200,000, and the \$310,040 base salary reflected in the table was calculated using an exchange rate of 1.55, the average rate in effect for the period.
- (6) Mr. Sadler was appointed our Chief Financial Officer on April 2, 2009. For all of 2009, Mr. Sadler's base salary rate was £200,000, which equated to \$310,040 using an exchange rate of 1.55, the average rate in effect for the period. The amount reflected as his base salary for 2009 is for the period April 2, 2009 through December 31, 2009.
- (7) Mr. West was appointed our Chief Financial Officer on May 16, 2007 and left the Company on April 2, 2009.
- (8) During 2009, Mr. Windeatt was provided a car allowance and car insurance allowance having a value of approximately \$19,864 and an apartment lease in the amount of approximately \$64,488. The amounts paid were £12,814 and £41,600, respectively, and the above dollar amounts were calculated using an exchange rate of 1.55, the average rate in effect for the period. The amounts in column (i) do not include a cash payment of \$165,165 (£110,000) to Mr. Windeatt in March 2010 in cancellation of the \$330,330 (£220,000) to which Mr. Windeatt would otherwise have been entitled in 2010 pursuant to a salary modification arrangement entered into by Mr. Windeatt in 2007.

Grants of Plan-Based Awards

The following table shows all grants of plan-based awards to the named executive officers in 2009:

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Name	Grant Date	Threshold (\$)	Target (\$)	Maximum (\$)(1)	Threshold (#)	Target (#)	Maximum (#)	All Other Grant Awards: Number of Shares of Stock or Units (#)(2)	All Other Option Awards: Number of Underlying Securities Options (#)	Exercise or Base Price of Option Awards (\$/Sh)	Grant Date Fair Value of Stock Awards and REUs (\$)(3)
Howard W. Lutnick	1/1/10			10,000,000				1,190,476			5,500,000
Shaun D. Lynn				10,000,000							
Stephen M. Merkel	1/1/10			10,000,000				108,225			500,000
Sean A. Windeatt	1/1/09			10,000,000				58,624			161,802
A. Graham Sadler	3/10/09							41,690			69,205
Robert K. West				10,000,000							

- (1) The amounts in column (e) reflect the maximum individual payment under our Incentive Plan. During 2009, there were no specific minimum and target levels under the Plan. The \$10,000,000 maximum amount was the maximum annual amount available for payment to any one executive officer under the Incentive Plan for 2009, and our Compensation Committee retained negative discretion to award less than this amount even if the performance goals were met. Actual amounts paid (if any) to each named executive officer for 2009 are set forth in column (g) of the summary compensation table.
- (2) The amounts in column (i) reflect 1,190,476 and 108,225 non-exchangeable REUs awarded, in partial payment of awards under our Incentive Plan, on December 22, 2009, effective on January 1, 2010, to Messrs. Lutnick and Merkel, respectively, having post-termination payment amounts of \$5,500,000 and \$500,000, respectively. The amounts also reflect 58,624 non-exchangeable REUs granted to Mr. Windeatt, in payment of a discretionary bonus, on January 1, 2009, having a post-termination payment amount of \$161,802. They also reflect 41,690 non-exchangeable REUs granted to Mr. Sadler on March 10, 2009, having a post-termination payment amount of \$69,205. The amounts shown do not include the \$2,000,000 award in the form of 481,928 non-exchangeable PSUs granted to Mr. Lynn in February 2010 or the \$600,600 award in the form of 105,368 non-exchangeable PSUs granted to Mr. Windeatt in March 2010 as part of their Incentive Plan bonuses for 2009. The amounts shown also do not include the \$625,000 award in the form of 109,649 non-exchangeable PSUs granted to Mr. Lynn, or the \$135,135 award in the form of 23,708 non-exchangeable PSUs granted to Mr. Sadler, in March 2010 as part of their discretionary bonuses for 2009.
- (3) More information with respect to the calculation of these amounts is included in footnotes to our audited consolidated financial statements in Item 8 of our 2009 Annual Report on Form 10-K.

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The following table shows all unexercised options, unvested RSUs, REUs and founding partner units for each of the named executive officers as of December 31, 2009:

(a) Name	Option Awards					Grant Awards				
	(b) Number of Securities Underlying Unexercised Options (#) Exercisable	(c) Number of Securities Underlying Options (#) Unexercisable	(d) Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options (#)	(e) Option Exercise Price (\$)	(f) Option Expiration Date	(g) Number of Shares or Units That Have Not Vested (#)	(h) Market Value of Shares or Units That Have Not Vested (\$)	(i) Equity Incentive Plan Awards: Number of Unearned Shares, Units or Rights That Have Not Vested (#)	(j) Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Rights That Have Not Vested (\$)	
Howard W. Lutnick	625,000			16.87	11/28/2010					
	1,500,000			5.10	10/19/2011					
	1,000,000			14.39	12/9/2012					
	1,000,000			21.42	12/9/2013					
	1,000,000			13.00	12/20/2014					
	250,000			8.42	8/22/2016					
	800,000			8.80	12/15/2016					
	1,000,000			10.82	12/28/2017					
						2,449,313	11,315,826			
Shaun D. Lynn						902,625	4,170,128			
Stephen M. Merkel	100,000			16.87	11/28/2010					
	110,000			5.10	10/19/2011					
	100,000			14.39	12/9/2012					
	100,000			21.42	12/9/2013					
	100,000			11.47	12/20/2014					
						153,405	708,731			
Sean A. Windeatt						70,424	325,359			
A. Graham Sadler						41,690	192,608			
Robert K. West						21,105	225,000			

(1) All options listed above are fully vested.

(2) The amounts shown include 3,268 unvested RSUs held by Mr. Merkel. All of Mr. Merkel's RSUs vest over a three-year period from the date of grant.

(3) The amounts shown include the following REUs: 1,190,476 and 108,225, respectively, awarded to Messrs. Lutnick and Merkel on December 22, 2009, effective January 1, 2010; 58,624 granted to Mr. Windeatt on January 1, 2009; 41,690 granted to Mr. Sadler on March 10, 2009; 41,912 and 11,800 REUs, respectively, granted to Messrs. Merkel and Windeatt upon the closing of the merger in April 2008; and 643,087 and 482,315 REUs, respectively, granted to Messrs. Lutnick and Lynn in December 2008, all of which vest over a three-year period. The amounts shown also include the following REUs: 265,487 and 132,744, respectively, granted to Messrs. Lutnick and Lynn upon the closing of the merger in April 2008 and 350,263 and 87,566, respectively, granted in September 2008 to Messrs. Lutnick and Lynn, all of which vested immediately. The amounts shown also include 21,105 REUs granted to Mr. West upon the closing of the merger in April 2008, all of which were to vest over a three-year period, but were accelerated in connection with his employment separation.

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agreement. None of the REUs shown have been granted exchangeability into shares of our Class A common stock.

- (4) The amounts shown also include 200,000 founding partner units that were granted to Mr. Lynn upon the closing of the merger in April 2008, which units were immediately granted exchangeability into shares of our Class A common stock on a one-for-one basis (subject to adjustment).
- (5) The amounts shown do not include the \$2,000,000 award in the form of 481,928 non-exchangeable PSUs granted to Mr. Lynn in February 2010 or the \$600,600 award in the form of 105,368 non-exchangeable PSUs granted to Mr. Windeatt in March 2010 as part of their Incentive Plan bonuses for 2009. The amounts shown also do not include the \$625,000 award in the form of 109,649 non-exchangeable PSUs granted to Mr. Lynn, or the \$135,135 award in the form of 23,708 non-exchangeable PSUs granted to Mr. Sadler, in March 2010 as part of their discretionary bonuses for 2009. The amounts shown also do not include the redemption or purchase of founding partner units and distribution rights, as applicable, from Messrs. Lynn and Merkel, or the provision of additional founding partner unit exchange rights to Mr. Lynn in connection with the separation and the merger in April 2008.

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None of our named executive officers exercised any options in 2009. An aggregate of 20,174 RSUs held by our named executive officers vested during 2009 as follows:

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise (\$)	Number of Shares Acquired on Vesting (#)(1)	Value Realized on Vesting (\$)(1)
Howard W. Lutnick				
Shaun D. Lynn				
Stephen M. Merkel			3,268	13,856
Sean A. Windeatt			9,314	42,099
A. Graham Sadler				
Robert K. West			7,592	34,164

(1) Does not include the vesting of any outstanding REUs; such REUs are not yet exchangeable into shares of our Class A common stock.

Potential Payments Upon Change of Control

The following table provides information regarding the estimated amounts payable to the individuals named below upon either termination or continued employment upon a change of control, under their change of control and employment agreements, described below, as if such agreements were in effect and the change of control had occurred on December 31, 2009 (including Incentive Plan and discretionary bonuses paid in 2010 for 2009) and using the closing market price of our Class A common stock as of December 31, 2009:

Name	Base Salary (\$)	Bonus (\$)	Vesting of Equity Compensation (\$)	Welfare Benefit Continuation (\$)	Tax Gross-Up Payment (\$)	Total (\$)
Howard W. Lutnick						
Termination of Employment	2,000,000	15,000,000		36,331	8,964,393	26,017,724
Extension of Employment	1,000,000	7,500,000		36,331	4,016,514	12,552,845
Shaun D. Lynn						
Termination of Employment	2,000,000	8,500,000		1,821		10,501,821
Extension of Employment	1,000,000	4,250,000		1,821		5,251,821
Stephen M. Merkel						
Termination of Employment	2,000,000	2,000,000	15,098	36,331	1,851,089	5,902,518