

BGC Partners, Inc.
Form S-3/A
June 08, 2012
Table of Contents

As filed with the Securities and Exchange Commission on June 8, 2012

Registration No. 333-180331

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

Amendment No. 1
to
FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

BGC PARTNERS, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of

13-4063515
(I.R.S. Employer

Edgar Filing: BGC Partners, Inc. - Form S-3/A

Incorporation or Organization)

Identification No.)

499 Park Avenue

New York, New York 10022

(212) 610-2200

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Stephen M. Merkel

BGC Partners, Inc.

499 Park Avenue

New York, New York 10022

(212) 610-2200

(212) 829-4708 fax

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

Copies to:

Christopher T. Jensen

Howard Kenny

Morgan, Lewis & Bockius LLP

101 Park Avenue

New York, New York 10178

(212) 309-6000

(212) 309-6001 fax

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this Registration Statement, as determined by market conditions.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

Edgar Filing: BGC Partners, Inc. - Form S-3/A

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, please check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 under the Securities Exchange Act of 1934:

Large accelerated filer Accelerated filer
 Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed	
	Maximum Aggregate Offering Price ⁽¹⁾	Amount of Registration Fee ⁽¹⁾⁽²⁾
	Debt securities Class A Common Stock, par value \$0.01 per share	\$300,000,000

- (1) We are registering an indeterminate aggregate amount of debt securities up to a proposed aggregate offering price of \$300,000,000, which may be offered from time to time in unspecified amounts and at indeterminate prices. We are also registering an indeterminate number of shares of our Class A Common Stock that may be issuable upon conversion or exchange of any convertible or exchangeable debt securities that provide for such issuance; no separate consideration will be received for the issuance of such shares of Class A Common Stock.
- (2) Calculated pursuant to Rule 457(o) under the Securities Act.
- (3) Previously paid.
- (4) Pursuant to Rule 457(i) under the Securities Act, no additional registration fee is payable with respect to the Class A Common Stock.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to such Section 8(a), may determine.

Table of Contents

The information in this preliminary prospectus is not complete and may be changed without notice. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities, nor a solicitation of an offer to buy these securities, in any jurisdiction where the offering is not permitted.

Preliminary Prospectus

Subject to Completion, dated June 8, 2012

BGC PARTNERS, INC.

\$300,000,000

Debt Securities

Class A Common Stock Issuable Upon Conversion or Exchange of Debt Securities

We are offering up to \$300,000,000 aggregate principal amount of our debt securities. The debt securities may be offered in one or more series, in amounts, at prices and on terms to be determined at the time of the offering. The debt securities may be convertible into or exchangeable for shares of our Class A common stock.

We will provide the specific terms of the debt securities in supplements to this prospectus. You should read this prospectus and the applicable prospectus supplement carefully before you invest.

Our Class A common stock is traded on the Nasdaq Global Select Market under the symbol BGCP. On June 7, 2012, the last reported sales price of our Class A common stock was \$6.23 per share.

An investment in our debt securities and Class A common stock involves risks. See the Risk Factors section on page 5 of this prospectus and in our latest Annual Report on Form 10-K filed with the Securities and Exchange Commission, which we refer to as the SEC, and any updates to those risk factors or new risk factors contained in our subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the SEC, all of which we incorporate by reference herein.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is _____, 2012.

Table of Contents

TABLE OF CONTENTS

	Page
<u>About This Prospectus</u>	ii
<u>Forward-Looking Statements</u>	iii
<u>Certain Defined Terms</u>	v
<u>Summary</u>	1
<u>Risk Factors</u>	5
<u>Use of Proceeds</u>	6
<u>Ratio of Earnings to Fixed Charges</u>	7
<u>Description of the Debt Securities</u>	8
<u>Description of Capital Stock</u>	21
<u>Dividend Policy</u>	26
<u>Price Range of Class A Common Stock</u>	29
<u>Plan of Distribution</u>	30
<u>Conflicts of Interest</u>	30
<u>Legal Matters</u>	30
<u>Experts</u>	30
<u>Where You Can Find More Information</u>	32
<u>Documents Incorporated by Reference</u>	32

You should rely only on the information provided in this prospectus, in any prospectus supplement that we provide to you in connection with an offering of the securities described in this prospectus or in any document incorporated by reference into this prospectus or any applicable prospectus supplement. We have not authorized anyone to provide you with different information. No offer of the securities described in this prospectus is being made in any jurisdiction where the offer is not permitted. You should not assume that the information in this prospectus, or in any prospectus supplement that we provide to you in connection with an offering of the securities described in this prospectus, or in any document incorporated by reference into this prospectus or any applicable prospectus supplement is accurate as of any date other than the date of the applicable document. Since the respective dates of this prospectus, any prospectus supplement that we provide to you in connection with an offering of the securities described in this prospectus, or any documents incorporated by reference into this prospectus or any applicable prospectus supplement, our businesses, financial condition, results of operations, cash flows and prospects might have changed.

Table of Contents

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the SEC using a shelf registration process. Under the shelf registration process, we may offer and sell our debt securities and any Class A common stock that may be issuable upon conversion or exchange of such debt securities as described in this prospectus in one or more offerings. Each time we sell a series of debt securities, we will provide a prospectus supplement containing a description of the debt securities we will offer and specific information about the terms of that series of debt securities and the related offering. Any such prospectus supplement may also add, update or change information contained in this prospectus. If there is any inconsistency between the information in this prospectus and the applicable prospectus supplement, you should rely on the information in such prospectus supplement.

Table of Contents

FORWARD-LOOKING STATEMENTS

This prospectus and the documents incorporated by reference into this prospectus contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, which we refer to as the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, which we refer to as the Exchange Act. Such statements are based upon current expectations that involve risks and uncertainties. Any statements contained herein or in documents incorporated by reference that are not statements of historical fact may be deemed to be forward-looking statements. For example, words such as may, will, should, estimates, predicts, potential, continue, strategies, believes, anticipates, plans, expects, intends and similar expressions are intended to identify forward-looking statements.

Our actual results and the outcome and timing of certain events may differ significantly from the expectations discussed in the forward-looking statements. Factors that might cause or contribute to such a discrepancy include, but are not limited to:

pricing and commissions and market position with respect to any of our products and services and those of our competitors;

the effect of industry concentration and reorganization, reduction of customers and consolidation;

liquidity, regulatory and clearing capital requirements and the impact of credit market events;

market conditions, including trading volume and volatility, potential deterioration of the equity and debt capital markets, and our ability to access the capital markets;

our relationships with Cantor Fitzgerald, L.P., which we refer to as Cantor, and its affiliates, including Cantor Fitzgerald & Co., which we refer to as CF&Co, any related conflicts of interest, competition for and retention of brokers and other managers and key employees, support for liquidity and capital and other relationships, including Cantor's holding of our 8.75% convertible notes, CF&Co's acting as our sales agent under our controlled equity or other offerings, and CF&Co's acting as our financial advisor in connection with one or more business combinations or other transactions;

economic or geopolitical conditions or uncertainties;

extensive regulation of our businesses, changes in regulations relating to the financial services and other industries, and risks relating to compliance matters, including regulatory examinations, inspections, investigations and enforcement actions, and any resulting costs, fines, penalties, sanctions, enhanced oversight, increased financial and capital requirements, and changes to or restrictions or limitations on specific activities, operations, compensatory arrangements, and growth opportunities, including acquisitions, hiring, and new business, products, or services;

factors related to specific transactions or series of transactions, including credit, performance and unmatched principal risk, counterparty failure, and the impact of fraud and unauthorized trading;

costs and expenses of developing, maintaining and protecting our intellectual property, as well as employment and other litigation and their related costs, including judgments or settlements paid or received;

Edgar Filing: BGC Partners, Inc. - Form S-3/A

certain financial risks, including the possibility of future losses and negative cash flows from operations, an increased need for short-term borrowings, potential liquidity and other risks relating to our ability to obtain financing or refinancing of existing debt on terms acceptable to us, if at all, and risks of the resulting leverage, including potentially causing a reduction in our credit ratings and/or the associated outlooks given by the rating agencies to those credit ratings, increased borrowing costs, as well as interest and currency rate fluctuations;

our ability to enter new markets or develop new products, trading desks, marketplaces or services and to induce customers to use these products, trading desks, marketplaces or services and to secure and maintain market share;

iii

Table of Contents

our ability to enter into marketing and strategic alliances and business combination or other transactions in the financial services, real estate and other industries, including acquisitions, dispositions, reorganizations, partnering opportunities and joint ventures and to meet our financial reporting obligations with respect thereto, and the integration of any completed transactions;

our ability to hire and retain personnel;

our ability to expand the use of technology for hybrid and fully electronic trading;

our ability to effectively manage any growth that may be achieved, while ensuring compliance with all applicable regulatory requirements;

our ability to identify and remediate any material weaknesses in our internal controls that could affect our ability to prepare financial statements and reports in a timely manner, control our policies, procedures, operations and assets, assess and manage our operational, regulatory and financial risks, and integrate our acquired businesses;

the effectiveness of our risk management policies and procedures, and the impact of unexpected market moves and similar events;

the fact that the prices at which shares of our Class A common stock are sold in one or more of our controlled equity offerings or in other offerings or other transactions may vary significantly, and purchasers of shares in such offerings or transactions, as well as existing stockholders, may suffer significant dilution if the price they paid for their shares is higher than the price paid by other purchasers in such offerings or transactions;

our ability to meet expectations with respect to payments of dividends and distributions and repurchases of shares of our Class A common stock and purchases of limited partnership interests of BGC Holdings, L.P., which we refer to as BGC Holdings, or other equity interests of our subsidiaries, including from Cantor, our executive officers, other employees, partners, and others, and the net proceeds to be realized by us from offerings of our shares of Class A common stock;

the effect on the market for and trading price of our Class A common stock of various offerings and other transactions, including our controlled equity and other offerings of our Class A common stock and convertible or exchangeable debt securities, our repurchases of shares of our Class A common stock and purchases of BGC Holdings limited partnership interests or other equity interests of our subsidiaries, our payment of dividends on our Class A common stock and distributions on BGC Holdings limited partnership interests, convertible arbitrage, hedging, and other transactions engaged in by holders of our 4.50% convertible notes and counterparties to our capped call transactions, and resales of shares of our Class A common stock acquired from us or Cantor, including pursuant to our employee benefit plans, conversion of our convertible notes, conversion or exchange of our convertible or exchangeable debt securities, and distributions from Cantor pursuant to Cantor's distribution rights obligations and other distributions to Cantor partners, including deferred distribution rights shares; and

the risk factors described in our latest Annual Report on Form 10-K filed with the SEC and any updates to those risk factors or new risk factors contained in our subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the SEC, all of which we incorporate by reference herein.

The foregoing risks and uncertainties, as well as those risks and uncertainties referred to under the heading "Risk Factors" and those incorporated by reference into this prospectus, may cause actual results to differ materially from the forward-looking statements. The information included or incorporated by reference into this prospectus is given as of the respective dates of this prospectus or the documents incorporated by reference into this prospectus, and future events or circumstances could differ significantly from such information. We do not undertake to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Table of Contents

CERTAIN DEFINED TERMS

Unless we otherwise indicate or unless the context requires otherwise, any reference in this prospectus to:

4.50% convertible notes refers to the BGC Partners 4.50% convertible senior notes due 2016, which are convertible into shares of Class A common stock;

8.75% convertible notes refers to the BGC Partners 8.75% convertible senior notes due 2015, which are convertible into shares of Class A common stock;

April 2008 distribution rights shares refers to shares of Class A common stock distributed, or to be distributed on a deferred basis, by Cantor to certain current and former partners of Cantor pursuant to distribution rights provided to such partners on April 1, 2008;

BGC Global refers to BGC Global Holdings, L.P., which holds the non-U.S. businesses of BGC Partners;

BGC Holdings refers to BGC Holdings, L.P.;

BGC Partners refers to BGC Partners, Inc. and its consolidated subsidiaries;

BGC Partners OldCo refers to BGC Partners, LLC (formerly known as BGC Partners, Inc.) before the merger;

BGC U.S. refers to BGC Partners, L.P., which holds the U.S. businesses of BGC Partners;

Cantor or the Cantor group refers to Cantor Fitzgerald, L.P. and its subsidiaries other than BGC Partners;

Cantor units refers to exchangeable limited partnership interests of BGC Holdings held by Cantor entities;

CF&Co refers to Cantor Fitzgerald & Co.;

CFGM refers to CF Group Management, Inc., the managing general partner of Cantor;

Class A common stock refers to BGC Partners Class A common stock, par value \$0.01 per share;

Class B common stock refers to BGC Partners Class B common stock, par value \$0.01 per share;

Edgar Filing: BGC Partners, Inc. - Form S-3/A

common stock refers to Class A common stock and Class B common stock, collectively;

convertible notes refers to the 4.50% convertible notes and the 8.75% convertible notes, collectively;

debt securities refers to the debt securities of BGC Partners included in this prospectus;

deferred distribution rights shares refers to distribution rights shares to be distributed by Cantor on a deferred basis;

distribution rights refers to the obligation of Cantor to distribute to certain current and former partners of Cantor shares of Class A common stock;

distribution rights shares refers to the April 2008 distribution rights shares and the February 2012 distribution rights shares, collectively;

eSpeed refers to eSpeed, Inc.;

February 2012 distribution rights shares refers to shares of Class A common stock to be distributed on a deferred basis to certain partners of Cantor in payment of previous quarterly partnership distributions pursuant to distribution rights provided to such partners on February 14, 2012;

February 2012 sales agreement refers to the controlled equity offering sales agreement, dated February 15, 2012, between BGC Partners and CF&Co;

founding partners refers to the individuals who became limited partners of BGC Holdings in the mandatory redemption of interests in Cantor in connection with the separation and merger and who provide services to BGC Partners (provided that members of the Cantor group and Howard W. Lutnick

Table of Contents

(including any entity directly or indirectly controlled by Mr. Lutnick or any trust with respect to which he is a grantor, trustee or beneficiary) are not founding partners);

founding/working partners refers to founding partners and/or working partners of BGC Holdings;

founding/working partner units refers to partnership units of BGC Holdings held by founding/working partners;

GAAP refers to accounting principles generally accepted in the United States of America;

limited partners refers to holders of limited partnership units;

limited partnership interests refers to founding/working partner units, limited partnership units and Cantor units, collectively;

limited partnership units refers to REUs, RPUs, PSUs and PSIs, collectively;

merger refers to the merger of BGC Partners OldCo with and into eSpeed on April 1, 2008 pursuant to the Agreement and Plan of Merger, dated as of May 29, 2007, as amended as of November 5, 2007 and February 1, 2008, by and among eSpeed, BGC Partners OldCo, Cantor, BGC U.S., BGC Global and BGC Holdings;

OpCos refers to BGC U.S. and BGC Global, collectively;

PSIs refers to certain working partner units of BGC Holdings held by certain employees of BGC Partners and other persons who provide services to BGC Partners;

PSUs refers to certain working partner units of BGC Holdings held by certain employees of BGC Partners and other persons who provide services to BGC Partners;

REUs refers to certain limited partnership units of BGC Holdings held by certain employees of BGC Partners and other persons;

RPUs refers to certain limited partnership units of BGC Holdings held by certain employees of BGC Partners and other persons;

RSUs refers to BGC Partners unvested restricted stock units held by certain employees of BGC Partners and other persons who provide services to BGC Partners;

separation refers to the transfer by Cantor of certain assets and liabilities to BGC Partners OldCo and/or its subsidiaries pursuant to the Separation Agreement, dated as of March 31, 2008, by and among Cantor, BGC Partners OldCo, BGC U.S., BGC Global and BGC Holdings;

Edgar Filing: BGC Partners, Inc. - Form S-3/A

September 2011 sales agreement refers to the controlled equity offering sales agreement, dated September 9, 2011, between BGC Partners and CF&Co;

short-term borrowings refers to borrowings under our revolving credit agreement, dated June 23, 2011, which provides for up to \$130.0 million of unsecured revolving credit through June 23, 2013;

working partners refers holders of working partner units; and

working partner units refers to partnership units of BGC Holdings held by working partners.

Table of Contents

SUMMARY

*This summary highlights selected information from this prospectus, but may not contain all information that may be important to you. The following summary is qualified in its entirety by the more detailed information included in or incorporated by reference into this prospectus. For a more complete understanding of the terms of our debt securities and our Class A common stock that may be issuable upon conversion or exchange of such debt securities, and before making your investment decision, you should carefully read this entire prospectus, the prospectus supplement provided in connection with an offering of the debt securities and the documents referred to in *Where You Can Find More Information and Document Incorporated by Reference*. See the *Certain Defined Terms* section beginning on page v of this prospectus for the definition of certain terms used in this prospectus.*

When we use the words *BGC Partners, we, us, our or the Company*, we are referring to *BGC Partners, Inc. and its consolidated subsidiaries*.

The Company

We are a leading global brokerage company primarily servicing the wholesale financial and property markets, specializing in the brokering of a broad range of products, including fixed income securities, interest rate swaps, foreign exchange, equities, equity derivatives, credit derivatives, commercial real estate, commodities, futures, and structured products. We also provide a full range of services, including trade execution, broker-dealer services, clearing, processing, information, and other back-office services to a broad range of financial and non-financial institutions. Our integrated platform is designed to provide flexibility to customers with regard to price discovery, execution and processing of transactions, and enables them to use voice, hybrid, or, in many markets, fully electronic brokerage services in connection with transactions executed either over-the-counter or through an exchange. Through our eSpeed, BGC TraderTM, and BGC Market Data brands, we offer financial technology solutions, market data, and analytics related to select financial instruments and markets.

In the second quarter of 2012, we completed the acquisition of substantially all of the assets of Grubb & Ellis Company and its direct and indirect subsidiaries (Grubb & Ellis) and have been integrating the Grubb & Ellis assets with our Newmark Knight Frank brand. The resulting brand, Newmark Grubb Knight Frank, is a full-service commercial real estate platform. Through this Newmark Grubb Knight Frank brand, we offer a wide range of services, including leasing and corporate advisory, investment sales and financial services, consulting, project and development management, and property and facilities management.

Our customers include many of the world's largest banks, broker-dealers, investment banks, trading firms, hedge funds, governments, corporations, property owners, real estate developers and investment firms.

We have offices in dozens of major markets, including New York and London, as well as in Atlanta, Beijing, Boston, Chicago, Copenhagen, Dubai, Hong Kong, Houston, Istanbul, Johannesburg, Los Angeles, Mexico City, Miami, Moscow, Nyon, Paris, Rio de Janeiro, São Paulo, Seoul, Singapore, Sydney, Tokyo, Toronto, Washington, D.C. and Zurich. We expect to have additional offices as we integrate the Grubb & Ellis business. As of March 31, 2012, we had 2,170 brokers and salespeople across more than 220 desks.

Our Organizational Structure

We are a holding company, and our businesses are operated through two operating partnerships, which we refer to as the OpCos : BGC U.S., which holds our U.S. businesses, and BGC Global, which holds our non-U.S. businesses.

The limited partnership interests of the OpCos are held by us and BGC Holdings, and the limited partnership interests of BGC Holdings are currently held by the founding/working partners, holders of limited

Table of Contents

partnership units and Cantor. We hold the BGC Holdings general partnership interest and the BGC Holdings special voting limited partnership interest, which entitle us to remove and appoint the general partner of BGC Holdings, and serve as the general partner of BGC Holdings, which entitles us to control BGC Holdings. BGC Holdings, in turn, holds the BGC U.S. general partnership interest and the BGC U.S. special voting limited partnership interest, which entitle the holder thereof to remove and appoint the general partner of BGC U.S., and the BGC Global general partnership interest and the BGC Global special voting limited partnership interest, which entitle the holder thereof to remove and appoint the general partner of BGC Global, and serves as the general partner of BGC U.S. and BGC Global, all of which entitle BGC Holdings (and thereby us) to control each of BGC U.S. and BGC Global. BGC Holdings holds its BGC Global general partnership interest through a company incorporated in the Cayman Islands, BGC Global Holdings GP Limited.

Table of Contents

The following diagram illustrates our ownership structure as of May 31, 2012. The following diagram does not reflect the various subsidiaries of us, BGC U.S., BGC Global, BGC Holdings or Cantor, or the noncontrolling interests in our consolidated subsidiaries, other than Cantor's units in BGC Holdings.

Table of Contents

* Shares of our Class B common stock are convertible into shares of our Class A common stock at any time in the discretion of the holder on a one-for-one basis. Accordingly, if Cantor converted all of its Class B common stock into Class A common stock, Cantor would hold 28.2% of the voting power, and the public stockholders would hold 71.8% of the voting power (and the indirect economic interests in BGC U.S. and BGC Global would remain unchanged). The diagram reflects (i) 1,010,655 shares of Class A common stock that Cantor distributed to its partners on February 14, 2012 and 282,023 shares of Class A common stock that Cantor distributed to its partners on March 21, 2012 (but not the 1,928,103 February 2012 distribution rights shares that remain to be distributed by Cantor); (ii) an aggregate of 721,679 April 2008 distribution rights shares that Cantor has distributed since September 2011, including the 498,960 shares of Class A common stock that Cantor distributed on February 14, 2012 (but not the 15,545,606 April 2008 distribution rights shares that remain to be distributed by Cantor); (iii) 75,000 shares of Class A common stock that Cantor donated to The Cantor Fitzgerald Relief Fund on March 9, 2012 and that may be included in the prospectus under our separate resale Registration Statement on Form S-3 (Registration No. 333-175034); (iv) an aggregate of 1,050,000 shares of Class A common stock that we donated to The Cantor Fitzgerald Relief Fund on February 3, 2012 and March 9, 2012, all of which shares may in the future be offered and sold under our separate shelf Registration Statement on Form S-3 (Registration No. 333-180391); (v) an aggregate of 5,150,000 shares of Class A common stock that we have sold under the September 2011 sales agreement since January 1, 2012 (but not the 140,090 shares that remain to be sold under that sales agreement), pursuant to our shelf Registration Statement on Form S-3 (Registration No. 333-176523); (vi) an aggregate of 886,569 Cantor units that Cantor purchased from BGC Holdings on March 13, 2012 in connection with the redemption and/or grant of exchangeability of founding/working partner units; (vii) an aggregate of 34,160 Cantor units that Cantor purchased from BGC Holdings on May 4, 2012 in connection with the redemption of non-exchangeable founding/working partner units; (viii) an aggregate of 44,013 shares of Class A common stock that we repurchased, including an aggregate of 41,523 shares from Mr. Merkel and certain family trusts, on March 13, 2012; and (ix) 895,141 exchangeable founding/working partner units that we repurchased from a founding/working partner on April 5, 2012. The diagram does not reflect Cantor's economic interest in the 8.75% convertible notes or the 22,959,124 shares of Class A common stock acquirable by Cantor upon conversion thereof. If Cantor converted all of the 8.75% convertible notes into shares of Class A common stock, Cantor would hold 78.9% of the voting power, and the public stockholders would hold 21.1% of the voting power (and Cantor's indirect economic interests in each of BGC U.S. and BGC Global would be 38.8%). Further, the diagram does not reflect (i) 10,000,000 shares of Class A common stock that may be sold under the February 2012 sales agreement, pursuant to our shelf Registration Statement on Form S-3 (Registration No. 333-176523); (ii) 9,961,596 shares of Class A common stock that remain available to be sold pursuant to the BGC Partners, Inc. Dividend Reinvestment and Stock Purchase Plan under our shelf Registration Statement on Form S-3 (Registration No. 333-173109); (iii) 19,208,090 shares of Class A common stock that may be sold under our acquisition shelf Registration Statement on Form S-4 (Registration No. 333-169232); (iv) 16,260,160 shares of Class A common stock that may be issued upon conversion of the 4.50% convertible notes; or (v) any shares of Class A common stock that may become issuable upon the conversion or exchange of any convertible or exchangeable debt securities that may in the future be sold under our shelf Registration Statement on Form S-3 (Registration No. 333-180331). For purposes of the diagram and this paragraph, Cantor's percentage ownership also includes CFGM's percentage ownership.

Executive Offices

Our executive offices are located at 499 Park Avenue, New York, New York 10022, while our international headquarters are located at 1 Churchill Place, Canary Wharf, London E14 5RD, United Kingdom. Our telephone number is (212) 610-2200. Our website is located at www.bgcpartners.com, and our e-mail address is info@bgcpartners.com. The information contained on, or that may be accessed through, our website is not part of, and is not incorporated into, this prospectus.

Table of Contents

RISK FACTORS

An investment in our debt securities and any shares of our Class A common stock that may be issuable upon conversion or exchange of the debt securities involves risks. You should consider carefully the Risk Factors section of our latest Annual Report on Form 10-K filed with the SEC, and any updates to those risk factors or new risk factors contained in our subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the SEC, all of which we incorporate by reference herein, and in the prospectus supplement that we will provide to you in connection with an offering of securities described in this prospectus, as well as the other information included in this prospectus and in any applicable prospectus supplement before making an investment decision. Any of the risk factors could significantly and negatively affect our businesses, financial condition, results of operations, cash flows, and prospects and the value and trading prices of the debt securities and Class A common stock. You could lose all or part of your investment in our debt securities and Class A common stock.

Table of Contents

USE OF PROCEEDS

Unless otherwise set forth in the applicable prospectus supplement, we intend to use the net proceeds from the sale of the debt securities included in this prospectus for general corporate purposes, which may include, among other things:

additions to working capital;

the repurchase, purchase or redemption of our outstanding equity and debt securities, BGC Holdings limited partnership interests or other equity interests in our subsidiaries, including from Cantor, our executive officers, other employees, partners and others;

the repayment of our indebtedness, including our short-term borrowings; and

the expansions of our business through internal growth or acquisitions.

Table of Contents**RATIO OF EARNINGS TO FIXED CHARGES**

The following table presents the ratios of earnings to fixed charges for us and our consolidated subsidiaries for the periods indicated. For the purposes of calculating the ratio of earnings to fixed charges, earnings consist of income before income taxes and fixed charges, net. Fixed charges consist of interest expense incurred on all indebtedness, amortized premiums, discounts and capitalized expenses relating to indebtedness and interest within rental expense. Neither we nor any of our consolidated subsidiaries had any preferred shares outstanding for any of the periods reflected in this table.

	Quarter Ended		Year Ended December 31,			
	March 31, 2012	2011	2010	2009	2008	2007
(dollars in thousands)						
Earnings:						
Income before income taxes(1)	\$ 21,368	\$ 60,964	\$ 63,855	\$ 73,175	\$ 16,843	\$ 43,389
Add: Fixed charges, net	7,958	25,606	15,409	10,363	18,950	26,251
Income before income taxes and fixed charges, net	\$ 29,326	\$ 86,570	\$ 79,264	\$ 83,538	\$ 35,793	\$ 69,640
Fixed charges:						
Total interest expense(2)	\$ 6,476	\$ 22,798	\$ 14,080	\$ 9,920	\$ 18,950	\$ 26,251
Amortized premiums, discounts and capitalized expenses related to indebtedness	1,082	1,808	129	43		