GFI Group Inc.
Form PRRN14A
January 15, 2015
Table of Contents

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Preliminary Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No. 1)

Filed by the Registrant ¨ Filed by the Party other than the Registrant x

Check the appropriate box:

x Preliminary Proxy Statement.

¨ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

¨ Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material under § 240.14a-12

GFI Group Inc.

(Name of Registrant as Specified In Its Charter)

BGC Partners, Inc.

BGC Partners, L.P.

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

Payment of Filing Fee (Check the appropriate box):

x No fee required.

¨ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies.

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

¨ Fee paid previously with preliminary materials.

¨ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

PRELIMINARY SUBJECT TO COMPLETION, DATED JANUARY 14, 2015

SPECIAL MEETING OF STOCKHOLDERS

OF

GFI GROUP INC.

TO BE HELD ON JANUARY 27, 2015

PROXY STATEMENT

OF

BGC PARTNERS, L.P.

BGC PARTNERS, INC.

SOLICITATION OF PROXIES IN OPPOSITION TO

THE PROPOSED ACQUISITION OF GFI GROUP INC.

BY CME GROUP INC.

This Proxy Statement (this Proxy Statement) and the enclosed GOLD proxy card are furnished by BGC Partners, L.P., a Delaware limited partnership (the Purchaser) and an operating subsidiary of BGC Partners, Inc., a Delaware corporation (together with the Purchaser, BGC , we , our or us) (for convenience, throughout this Proxy Statement, v sometimes refer to BGC as the party soliciting proxies in connection herewith), in connection with BGC s solicitation of proxies to be used at the special meeting (the Special Meeting) of stockholders of GFI Group Inc., a Delaware corporation (GFI), to be held on January 27, 2015, at 11:00 a.m. Eastern Standard Time, at Bayards, 1 Hanover Square, New York, NY 10004, or at any postponement or adjournment thereof.

This Proxy Statement and the enclosed GOLD proxy card are first being mailed to GFI stockholders on or about January , 2015.

Pursuant to this Proxy Statement, BGC is soliciting proxies from holders of common stock, par value $0.01 per share (the Shares), of GFI, to vote **AGAINST** , among other items, the proposal to approve and adopt the Agreement and Plan of Merger, dated as of July 30, 2014 and amended as of December 2, 2014, by and among GFI, CME Group Inc., a Delaware corporation (CME), Commodore Acquisition Corp., a Delaware corporation and a wholly owned subsidiary of CME, and Commodore Acquisition LLC, a Delaware limited liability company and a wholly owned subsidiary of CME (Merger Sub 2) (as it may be amended from time to time, the CME/GFI Merger Agreement), providing for a merger in which GFI would become a wholly owned subsidiary of CME (the CME/GFI Merger). Immediately following any such CME/GFI Merger, a private consortium of current GFI management would acquire from CME GFI s wholesale brokerage and clearing businesses (such transactions collectively as they exist as of this Proxy Statement, the CME Transaction).

The specific proposals we are soliciting proxies to vote **AGAINST** are (i) the proposal to approve and adopt the CME/GFI Merger Agreement (the CME/GFI Merger Proposal), (ii) the proposal to approve, by non-binding, advisory vote, certain compensation arrangements for GFI s named executive officers in connection with the CME/GFI Merger contemplated by the CME/GFI Merger Agreement (the Golden Parachute Compensation Proposal); and (iii) the proposal for adjournment of the Special Meeting, if necessary or appropriate, to solicit additional proxies if there are insufficient votes at the time of the Special Meeting to approve and adopt the CME/GFI Merger Agreement (the Adjournment Proposal and, together with the CME/GFI Merger Proposal and the Golden Parachute Compensation Proposal, the Special Meeting Proposals), each as described in the proxy statement/prospectus (the CME/GFI Proxy Statement/Prospectus) filed by CME pursuant to Rule 424(b)(3) under the U.S. Securities Act of 1933, as amended, with the U.S. Securities and Exchange Commission (the SEC) on December 24, 2014. GFI has set December 1, 2014 as the record date for determining those stockholders who will be entitled to vote at the Special Meeting (the Record Date). GFI s principal executive offices are located at 55 Water Street, New York, New York 10041, its telephone number is (212)-968-4100 and its website is www.gfigroup.com.

Table of Contents

BGC has commenced a tender offer to acquire 100% of the outstanding Shares for $5.45 per Share, net to the seller in cash, without interest and less any required withholding taxes, in exchange for each Share. This tender offer is being made pursuant to the Offer to Purchase and the related Letter of Transmittal (which, together with any amendments or supplements thereto, collectively constitute the Offer), which were included as exhibits to the Tender Offer Statement on Schedule TO filed by BGC with the SEC on October 22, 2014 (as amended, the Schedule TO). **The offer price of $5.45 per Share represents a premium of approximately 8% over GFI s closing stock price on September 8, 2014, the last trading day before we publicly announced our proposal, and a premium of approximately 75% over GFI s closing stock price on July 29, 2014, the last trading day before announcement of the CME Transaction. The offer price of $5.45 per Share also represents a premium of approximately 4% over the $5.25 per share of CME common stock being offered to holders in the CME Transaction.** The Offer to Purchase describes the Offer more particularly, including conditions of the Offer. See Section 1 Terms of the Offer and Section 14 Conditions of the Offer of the Offer to Purchase. The expiration date of the Offer is 5:00 p.m., New York City time, on January 27, 2015, unless extended (the Expiration Date).

WE ARE SOLICITING PROXIES FROM GFI STOCKHOLDERS TO VOTE AGAINST THE CME/GFI MERGER PROPOSAL, THE GOLDEN PARACHUTE COMPENSATION PROPOSAL AND THE ADJOURNMENT PROPOSAL. WE BELIEVE OUR $5.45 PER SHARE ALL-CASH OFFER IS A SUPERIOR ALTERNATIVE FOR THE GFI STOCKHOLDERS BECAUSE IT PROVIDES GREATER FINANCIAL VALUE THAN THE PROPOSED CME TRANSACTION AND THE ALL-CASH NATURE OF THE OFFER PROVIDES IMMEDIATE AND CERTAIN LIQUIDITY TO GFI STOCKHOLDERS IN THE EVENT THE OFFER IS CONSUMMATED. IF YOU WANT TO PRESERVE YOUR OPPORTUNITY TO ACCEPT OUR SUPERIOR OFFER, VOTE AGAINST THE CME/GFI MERGER PROPOSAL AND THE OTHER PROPOSALS IN CONNECTION THEREWITH BY SIGNING, DATING AND RETURNING THE ENCLOSED GOLD PROXY CARD TODAY OR VOTING BY INTERNET OR TELEPHONE.

WE BELIEVE THAT A VOTE **AGAINST** THE CME/GFI MERGER PROPOSAL WILL SEND A CLEAR MESSAGE TO THE BOARD OF DIRECTORS OF GFI (THE GFI BOARD) THAT YOU DO NOT WANT THE PROPOSED CME TRANSACTION TO BE COMPLETED. **A VOTE AGAINST THE CME/GFI MERGER PROPOSAL WILL NOT OBLIGATE YOU TO TENDER YOUR SHARES IN THE OFFER**. HOWEVER, YOU MUST TENDER YOUR SHARES PURSUANT TO THE OFFER PRIOR TO THE EXPIRATION DATE IF YOU WISH TO PARTICIPATE IN THE OFFER.

EVEN IF YOU HAVE ALREADY SENT A PROXY CARD TO GFI, YOU HAVE EVERY RIGHT TO CHANGE YOUR VOTE. ONLY YOUR LATEST-DATED PROXY COUNTS. WE URGE YOU TO VOTE **AGAINST** THE CME/GFI MERGER PROPOSAL, THE GOLDEN PARACHUTE COMPENSATION PROPOSAL AND THE ADJOURNMENT PROPOSAL, BY INTERNET OR TELEPHONE OR BY SIGNING, DATING AND RETURNING THE ENCLOSED GOLD PROXY CARD IN THE POSTAGE-PAID ENVELOPE PROVIDED. NO POSTAGE IS NECESSARY IF YOUR GOLD PROXY CARD IS MAILED IN THE UNITED STATES.

IF YOUR SHARES ARE HELD IN STREET-NAME, DELIVER THE ENCLOSED GOLD VOTING INSTRUCTION FORM TO YOUR BROKER OR BANK OR CONTACT THE PERSON RESPONSIBLE FOR YOUR ACCOUNT TO VOTE ON YOUR BEHALF AND TO ENSURE THAT A GOLD PROXY CARD IS SUBMITTED ON YOUR BEHALF. IF YOUR BROKER OR BANK OR CONTACT PERSON RESPONSIBLE FOR YOUR ACCOUNT PROVIDES FOR VOTING INSTRUCTIONS TO BE DELIVERED TO THEM BY INTERNET OR TELEPHONE, INSTRUCTIONS WILL BE INCLUDED ON THE ENCLOSED GOLD VOTING INSTRUCTION FORM.

Table of Contents

TABLE OF CONTENTS

Table of Contents

REASONS TO VOTE AGAINST THE GFI SPECIAL MEETING PROPOSALS

1. Why should I vote against the CME/GFI Merger Proposal?

BGC is soliciting proxies from GFI stockholders in opposition to the proposed CME Transaction and specifically **AGAINST** the CME/GFI Merger Proposal. BGC urges all GFI stockholders to vote **AGAINST** the CME/GFI Merger Proposal for the following reasons:

A vote AGAINST the CME/GFI Merger Proposal helps to preserve your opportunity to receive the higher $5.45 per Share all-cash consideration provided by the Offer without the uncertainty of the cash/stock mix offered by the CME/GFI Merger Agreement.

Our all-cash Offer of $5.45 per share is superior to the $5.25 per Share in cash and/or CME common stock offered by the CME Transaction. Our Offer represents a premium of approximately 4% over the value of the consideration being offered in the CME Transaction. In addition to providing superior value, the all-cash nature of our Offer provides you with certainty of value and immediate liquidity for your Shares. In contrast, the CME Transaction, which is at a price lower than our Offer, is offering only up to $89 million in cash, which represents up to a maximum of 13% of the total consideration to be received by GFI stockholders and which will be prorated among GFI stockholders electing cash. The value of the stock portion of the consideration is subject to risk, and the market price of CME common stock may fluctuate significantly following the consummation of the proposed CME Transaction. You could lose all or a portion of the value of your investment in CME common stock. Our all-cash Offer, which represents a premium of approximately 4% over the value of the consideration being offered by the CME, does not expose you to any such risks because it consists solely of cash.

Our Offer cannot be consummated if the transactions contemplated by the CME/GFI Merger Agreement are completed because as a result of such transaction, GFI would be subject to a series of transactions in which its corporate existence would be terminated and it would be merged with and into a limited liability company that is wholly owned by CME. As a result, several conditions to our Offer would fail or not be capable of being satisfied. This means that if the GFI stockholders want to preserve their opportunity to receive the higher and superior consideration provided by our Offer, they must vote **AGAINST** the CME/GFI Merger Proposal.

A vote AGAINST the CME/GFI Merger Proposal encourages the GFI Board to pursue our SUPERIOR Offer, which to date it has refused to do.

As described above, the Offer provides a superior premium and immediate liquidity at Closing. Furthermore, in a clear conflict of interest, the CME Transaction provides for GFI management to purchase GFI s brokerage business from CME at a discount to what we believe the value of that business should be based on our willingness to pay additional consideration for that business. We believe the CME Transaction would deprive GFI shareholders of the value of their investment.

As discussed in the Section entitled Background of the Solicitation of this Proxy Statement, following the entry into the CME/GFI Merger Agreement and the commencement of the Offer, the GFI Board has refused to determine that our Offer or our proposal for a tender offer support agreement (which are described in detail under Background of the Solicitation below) constitute a Superior Proposal as defined in the CME/GFI Merger Agreement and to change its recommendation to support the Offer.

By voting **AGAINST** the CME/GFI Merger Agreement, you will send a message to the GFI Board that you do not want the proposed CME Transaction to be completed.

2. Why should I vote against the other Special Meeting Proposals?

BGC believes that the other Special Meeting Proposals are a group of related proposals whose purpose is to facilitate, or which are conditioned upon the completion of, the CME/GFI Merger Proposal, which BGC opposes. Therefore, BGC is soliciting proxies from GFI stockholders in opposition of such other proposals and specifically **AGAINST** such proposals. BGC urges all GFI stockholders to vote **AGAINST** the following Special Meeting Proposals for the reasons set forth below:

The Golden Parachute Compensation Proposal. While the Golden Parachute Compensation Proposal is non-binding and advisory, and its approval is not required for the CME/GFI Merger Agreement to be consummated, BGC believes that the purpose of the proposal is to demonstrate stockholder support for compensation that would be paid to GFI management in connection with the CME Transaction. We believe that this proposal should not be approved if stockholders oppose the CME/GFI Merger Proposal.

Table of Contents

According to the CME/GFI Proxy Statement/Prospectus, because the vote on the Golden Parachute Compensation Proposal is advisory only, it will not be binding on GFI or the GFI Board. Accordingly, if the CME/GFI Merger Agreement is approved and the CME/GFI Merger is completed, the compensation will be payable, subject only to the conditions applicable thereto, regardless of the outcome of the non-binding, advisory vote of GFI stockholders of the Golden Parachute Compensation Proposal.

BGC is opposed to the CME/GFI Merger Agreement as detailed above. Accordingly, BGC recommends that stockholders vote **AGAINST** the approval of the Golden Parachute Compensation Proposal.

The Adjournment Proposal. BGC opposes the Adjournment Proposal because BGC believes that GFI should not have additional time to solicit proxies to vote for the CME/GFI Merger Proposal if it is unable to obtain the necessary votes for approval of such proposal by the date of the Special Meeting. Accordingly, BGC recommends that stockholders vote **AGAINST** the Adjournment Proposal.

GIVEN THE REASONS DESCRIBED ABOVE, WE URGE GFI STOCKHOLDERS TO VOTE AGAINST EACH OF THE SPECIAL MEETING PROPOSALS ON THE GOLD PROXY CARD TODAY.

YOU MAY VOTE **AGAINST** THE CME/GFI MERGER PROPOSAL, THE GOLDEN PARACHUTE COMPENSATION PROPOSAL AND THE ADJOURNMENT PROPOSAL BY INTERNET OR TELEPHONE OR BY SIGNING, DATING AND RETURNING THE ENCLOSED GOLD PROXY CARD IN THE POSTAGE-PAID ENVELOPE PROVIDED AS SOON AS POSSIBLE.

IF YOUR SHARES ARE HELD IN STREET-NAME, DELIVER THE ENCLOSED GOLD VOTING INSTRUCTION FORM TO YOUR BROKER OR BANK OR CONTACT THE PERSON RESPONSIBLE FOR YOUR ACCOUNT TO VOTE ON YOUR BEHALF AND TO ENSURE THAT A GOLD PROXY CARD IS SUBMITTED ON YOUR BEHALF AS SOON AS POSSIBLE. IF YOUR BROKER OR BANK OR CONTACT PERSON RESPONSIBLE FOR YOUR ACCOUNT PROVIDES FOR VOTING INSTRUCTIONS TO BE DELIVERED TO THEM BY INTERNET OR TELEPHONE, INSTRUCTIONS WILL BE INCLUDED ON THE ENCLOSED GOLD VOTING INSTRUCTION FORM.

EVEN IF YOU HAVE PREVIOUSLY SUBMITTED A PROXY CARD FURNISHED BY GFI, **YOU HAVE THE RIGHT, AND IT IS NOT TOO LATE, TO CHANGE YOUR VOTE** BY INTERNET OR TELEPHONE OR BY SIMPLY SIGNING, DATING AND RETURNING THE ENCLOSED GOLD PROXY CARD. ONLY YOUR LATEST DATED PROXY COUNTS.

WE URGE YOU TO SEND THE GFI BOARD A CLEAR MESSAGE THAT GFI STOCKHOLDERS DO NOT WANT THE PROPOSED CME TRANSACTION TO BE COMPLETED. PLEASE VOTE **AGAINST** THE CME/GFI MERGER PROPOSAL, THE GOLDEN PARACHUTE COMPENSATION PROPOSAL AND THE ADJOURNMENT PROPOSAL ON THE GOLD PROXY CARD TODAY.

-2-

Table of Contents

BACKGROUND OF THE SOLICITATION

As part of their ongoing evaluation of BGC s business and strategic alternatives, BGC s board of directors and senior management, on occasion with outside legal and financial advisors, have from time to time evaluated strategic opportunities and prospects for acquisitions across the brokerage industry. In the course of its ongoing evaluation, BGC s management team considered and reviewed an acquisition GFI.

Over the past three years, Shaun D. Lynn, President of BGC, expressed interest to GFI in a combination of BGC and GFI, including an acquisition by BGC of GFI. During these conversations, Mr. Lynn and GFI management discussed the possibility of a transaction between the two companies and the potential opportunities that combining the businesses could produce. However, a confidentiality agreement was never executed.

On July 29, 2014, Mr. Lynn sent a letter to Michael Gooch, Executive Chairman of GFI, and Colin Heffron, Chief Executive Officer of GFI. The letter expressed BGC s interest in acquiring GFI by means of an acquisition of all or substantially all of GFI s assets or an acquisition of 100% of GFI s outstanding shares. In the letter, BGC expressed its view that the combination of the two companies was compelling from an operating synergy and growth perspective, and that the combined company would offer a larger platform from which to grow its wholesale brokerage and electronic trading businesses. BGC also expressed its confidence that it could offer a price per share substantially in excess of GFI s current trading price, in cash, stock or some combination thereof and that expressed its desire to discuss a possible acquisition of GFI with both management and the GFI Board.

BGC received no response to its letter.

On July 30, 2014, CME and GFI announced that it entered into a series of agreements, including an Agreement and Plan of Merger and a Purchase Agreement, each dated July 30, 2014, with CME whereby GFI agreed to merge with and into a wholly owned subsidiary of CME and, immediately following such merger, a private consortium of current GFI management would acquire from CME GFI s wholesale brokerage and clearing businesses.

Pursuant to the CME Transaction, CME would acquire GFI at a price of approximately $4.55 per Share. We believe that our offer to pay you $5.25 per Share in cash provides superior value to GFI stockholders than does the CME Transaction.

The CME/GFI Merger Agreement prohibits GFI from (i) engaging in discussions with third parties (including us) regarding a potential acquisition of Shares unless certain conditions are satisfied or (ii) providing non-public information regarding GFI without execution of a confidentiality agreement meeting specifications set forth in the CME/GFI Merger Agreement.

Also on July 30, 2014, CME entered into a support agreement (the Support Agreement) with certain beneficial owners of GFI common stock (the Supporting Stockholders), including entities controlled by Michael Gooch, that collectively control 38% of the total issued and outstanding shares of GFI common stock as of June 30, 2014.

Under the Support Agreement, the Supporting Stockholders agreed to vote or cause to be voted their shares in favor of adoption of the CME Merger Agreement and the related transactions and to vote against any alternative transaction. The Support Agreement also prevents the Supporting Stockholders from transferring their Shares, including by tendering such Shares into the Offer. The obligations and restrictions in the Support Agreement continue for twelve months following the termination of the CME Merger Agreement (other than termination (i) by GFI due to a breach of the CME Merger Agreement by CME or its merger subs or (ii) by GFI or CME due to CME s failure to obtain antitrust approval resulting in (1) failure to consummate the transactions contemplated by the CME Merger Agreement by

March 15, 2015 or (2) prohibition of the transactions contemplated by the CME Merger Agreement by any restraints, in each of which case the Support Agreement will terminate without the twelve month tail period).

On September 8, 2014, Mr. Lynn delivered the letter below to the board of directors of GFI. The letter was made public on the following morning through a press release by BGC announcing its intention to commence is offer and attaching the letter.

September 8, 2014

Mr. Michael Gooch

Ms. Marisa Cassoni

Mr. Frank Fanzilli, Jr.

Mr. Colin Heffron

Mr. Richard Magee

Table of Contents

c/o Christopher D Antuono, General Counsel and Corporate Secretary

GFI Group Inc.

55 Water Street

New York, New York 10041

To the Board of Directors of GFI Group Inc. (GFI):

As you know, BGC Partners, Inc. (BGC) has over the course of several years repeatedly expressed an interest in acquiring GFI, and on July 29, 2014 delivered a letter to Messrs. Michael Gooch and Colin Heffron detailing its interest in acquiring 100% of GFI. We had expected to engage in a discussion, and therefore we were surprised to read the press release announcing your agreement with CME Group Inc. (CME). Your agreement provides for a two-step transaction in which CME will acquire all of the outstanding shares of GFI in exchange for $4.55 per share in CME Group Class A Common Stock, and immediately sell GFI s wholesale brokerage and clearing businesses (including net cash, cash equivalents and clearing deposits of $191 million) to a private consortium of GFI s management, including Messrs. Gooch and Heffron, for $165 million in cash and the assumption, at closing, of certain unvested deferred compensation and other liabilities.

BGC owns approximately 13.5% of GFI s common stock. We believe that GFI s customers and brokers would benefit from GFI being part of a larger, better capitalized and more diversified company. We are confident that a combination of GFI and BGC will produce increased productivity per broker, meaningful synergies and significant cost savings. We therefore continue to seek a negotiated merger with GFI that would provide superior value to your shareholders, and we are prepared to begin such negotiations immediately. However, given your lack of response to our offers, and our belief that the pending transaction deprives GFI shareholders of the opportunity to realize appropriate value, particularly given the significant discount agreed to with respect to the purchase of the brokerage and clearing business, we intend to make an offer directly to the GFI shareholders.

Our plan is to commence a cash tender offer to purchase 100% of the outstanding shares of common stock of GFI at $5.25 per share in cash, representing a premium of (i) more than 68% to the price of GFI s common stock on July 29, 2014, the day before announcement of the transaction with CME, and (ii) more than 15% to the price offered by CME. Our tender offer will be conditioned on the tender of a sufficient number of shares of common stock of GFI such that, when added with the GFI common stock that we own, we would own a majority of the outstanding GFI common stock, on a fully diluted basis. The tender offer will not be subject to any financing contingency. Nor will the offer be subject to the negotiation or execution of any merger agreement or other agreement with GFI or CME.

This all-cash offer will provide the GFI shareholders with immediate, certain and compelling value, without material contingencies.

We believe that there should not be any obstacles to completing our tender offer expeditiously. Our antitrust advisors at Wachtell, Lipton, Rosen & Katz have conducted an analysis of the competitive landscape and, based on their extensive experience and knowledge of the industry, have independently determined that there are no material regulatory obstacles to completing the transaction.

Without material contingencies and at a significant all-cash premium to the pending transaction, we believe that our offer constitutes a superior proposal to the pending transaction, and that your shareholders will find our offer extremely compelling.

By approving the merger agreement with CME, you, GFI s board of directors, have determined to sell the company for $4.55 per share. Therefore, any action that you take, or allow the company or its management to take, to impair the ability of your shareholders to accept our $5.25 per share offer (such as the adoption of a poison pill), or that would negatively affect the value of the company (including actions outside of the ordinary course of business or inconsistent with past practice), either prior to, or after we commence our offer would be a clear breach of the board s fiduciary duties. We will consider any and all options available to us to halt, block or otherwise limit any such inappropriate actions. Our proposal is clearly superior to the existing transaction involving CME and GFI s management, a transaction that we believe reflects deep conflicts of interest.

-4-

Table of Contents

We are prepared to make the offer to the GFI shareholders, but we continue to be willing to negotiate directly with GFI, Messrs. Gooch and Heffron and CME regarding a consensual transaction among the parties. We are open to discussing and addressing social issues such as senior management team composition and other concerns that you may have. We are available to commence such discussions immediately and hope that you accept our invitation to do so.

Sincerely,

Shaun D. Lynn

President

BGC Partners, Inc.

499 Park Avenue

New York, NY 10022

Also on September 8, 2014, Shaun D. Lynn, President of BGC, contacted Michael Gooch, to inform Mr. Gooch that Mr. Lynn and BGC believed BGC, GFI and CME could come to a mutually agreeable arrangement regarding a transaction with GFI.

On September 15, 2014, the board of directors of GFI, upon the recommendation of the special committee of the GFI board (the GFI Special Committee), determined that the offer set forth in the September 8, 2014 letter could reasonably be expected to lead to a Superior Proposal as defined in the CME/GFI Merger Agreement. Also on September 15, 2014, counsel for the GFI Special Committee provided a draft confidentiality agreement to BGC s counsel. The respective counsels subsequently discussed the confidentiality agreement and exchanged revisions to such agreement.

On September 24, 2014, BGC and its counsel held discussions with representatives of the GFI Special Committee regarding preliminary due diligence questions that could be answered without the need for a confidentiality agreement. Following the September 24, 2014 call, counsel for BGC and counsel for the GFI Special Committee continued to exchange drafts of the confidentiality agreement on behalf of their respective clients.

On September 29, 2014, counsel for BGC sent to counsel for the GFI special committee a revised draft of the confidentiality agreement that reflected their prior negotiations, including that the agreement would limit the information to be provided to BGC to that regarding the Trayport and FENICS businesses and as such would have non-solicit and non-hire provisions that covered only employees of those businesses. BGC believed the proposed agreement was sufficiently protective of GFI and met the terms of the CME/GFI Merger Agreement, and BGC was prepared to execute that agreement.

On October 7, 2014, in response to a request from the GFI Special Committee, BGC sent a due diligence request list that was limited to information regarding the Trayport and FENICS businesses.

On October 10, 2014, counsel for the GFI Special Committee informed BGC s counsel that the GFI Special Committee would not agree to enter into the confidentiality agreement as currently proposed that limited information provided and the non-solicit provision to the Trayport and FENICS businesses. Rather, the GFI Special Committee would require non-solicit and non-hire provisions for all of GFI s employees.

On October 21, 2014, in light of the inability to reach agreement on the confidentiality agreement or otherwise, Mr. Lynn delivered the letter below to the board of directors of GFI:

October 21, 2014

Mr. Michael Gooch

Ms. Marisa Cassoni

Mr. Frank Fanzilli, Jr.

Mr. Colin Heffron

Mr. Richard Magee

Table of Contents

c/o Christopher D Antuono, General Counsel and Corporate Secretary

GFI Group Inc.

55 Water Street

New York, New York 10041

To the Board of Directors of GFI Group Inc. (GFI):

Following our letter of September 8, 2014 in which we stated our intent to commence a $5.25 per share all-cash tender offer to acquire all the outstanding shares of GFI common stock that we do not already own, BGC Partners, Inc. (BGC) has made good-faith attempts to privately negotiate a confidentiality agreement with you in anticipation of negotiating an agreement to acquire GFI. We were only seeking information regarding the Trayport and FENICS businesses, and not the brokerage businesses, and had offered to execute a non-solicitation and non-hire provision regarding these Trayport and FENICS employees. Regrettably, we have been met with unreasonable demands and delay tactics in our efforts to establish even this agreement with GFI. This has precluded us from gaining the information we were seeking and prevented any serious discussions of a potential negotiated transaction. Accordingly, BGC plans to make its offer directly to GFI shareholders via a tender offer to commence tomorrow.

We believe the existing agreement involving CME Group (CME), GFI and affiliates of GFI management, which would enable GFI management to purchase the brokerage business from CME at a discount, reflects deep conflicts of interest and would deprive GFI shareholders of the value of their investment. Furthermore, BGC s $5.25 per share all-cash offer delivers far greater value than your agreement with CME for $4.55 per share in CME stock and represents a premium of (i) more than 68% to the price of GFI s common stock on July 29, 2014, the day before announcement of the transaction with CME, and (ii) more than 15% to the price offered by CME. Our all-cash offer will provide GFI shareholders with immediate, certain and compelling value, without material contingencies or significant execution risk. It will not be subject to a financing condition.

As an owner of 13.5% of GFI s common stock, we continue to believe that GFI s customers and brokers would benefit from GFI being part of a larger, better capitalized and more diversified company. We are confident that a combination of GFI and BGC will produce increased productivity per broker and meaningful synergies.

Our offer is clearly superior to the transaction involving CME and GFI s management. We had hoped that GFI s press release dated September 15 announcing the determination of the GFI Special Committee and Board that our offer could reasonably be expected to lead to a Superior Proposal represented a serious willingness to engage in discussions with us to reach a negotiated transaction free of any conflicts of interest. Given that expectation, we are disappointed that our various proposals regarding the terms of the confidentiality agreement covering the Trayport and FENICS information have been unacceptable to GFI and the management team, who have thwarted any merger negotiations. In light of your rejection of the terms of our proposed confidentiality agreement covering the Trayport and FENICS information, we have reached an impasse. Accordingly, we are now commencing our all-cash tender offer, which permits GFI shareholders to make their own decisions regarding their ownership of GFI. The tender offer is not subject to any financing condition and is also not conditioned on the termination of GFI s merger agreement with CME or the support agreement executed by certain affiliates of GFI management.

We remain open to seeking a negotiated transaction with GFI and the CME and we are also open to conversations with GFI management regarding matters related to such agreement. However, in the interests of all shareholders, we will not delay commencing our tender offer any further.

Table of Contents

We continue to believe that we will be able to complete our tender offer expeditiously and that the GFI shareholders will recognize the superiority of our offer over the CME Merger Agreement and we encourage them to tender their shares.

Sincerely,

Shaun D. Lynn

President

BGC Partners, Inc.

499 Park Avenue

New York, NY 10022

On October 22, 2014, GFI released a press release announcing that the GFI Special Committee would review the Offer and advising GFI stockholders to take no action pending such review.

On October 30, 2014, counsel for BGC sent to counsel for the GFI Special Committee a draft tender offer support agreement that was substantially in the form of the CME/GFI Merger Agreement with adjustments to provide for a tender offer (rather than a merger) and to take into account BGC s proposed acquisition of all of GFI s business (rather than solely Trayport and FENICS).

On November 4, 2014, GFI issued a press release and a Solicitation/Recommendation Statement on Schedule 14D-9 announcing the GFI board s recommendation that GFI stockholders reject the Offer and not tender their Shares pursuant to the Offer.

On November 6, 2014, counsel for the GFI Special Committee sent a revised draft of the tender offer support agreement to counsel for BGC, and on November 9, 2014, counsel for BGC sent a revised draft of the tender offer support agreement to counsel for the GFI Special Committee.

On November 10, 2014, counsel for BGC and counsel for the GFI Special Committee held a telephonic conference to discuss the draft of the tender offer support agreement, dated November 9, 2014. The respective counsels discussed the regulatory approvals required for the contemplated transaction and GFI s role in cooperating with the related financing as well as the inclusion of non-solicitation provisions. It was also discussed that pursuant to the tender offer support agreement the GFI Special Committee would be willing to cause the resignations and appointments necessary for BGC to obtain control of the GFI board.

On November 12, 2014, BGC issued a press release regarding the amendment of the terms of the Offer and which contained a letter to GFI shareholders copied below.

PROTECT THE VALUE OF YOUR INVESTMENT IN GFI

TENDER YOUR SHARES TODAY IN SUPPORT OF BGC S

$5.25 PER SHARE ALL-CASH OFFER

November 12, 2014

Dear Fellow GFI Shareholder:

On October 22, 2014, BGC Partners, Inc. (BGC) launched a $5.25 per share fully financed, all-cash tender offer to acquire GFI Group Inc. (GFI). The launch of the tender followed numerous attempts at constructive dialogue to reach a negotiated agreement with GFI based on our analysis of the value of the company and our view of the compelling strategic benefits of a transaction with BGC.

-7-

Table of Contents

Following additional recent discussions with the independent board members of GFI (the Special Committee), BGC has actively sought to address their questions and concerns regarding our offer. While our discussions have not yet succeeded in convincing the Special Committee to recommend our transaction, dialogue remains ongoing. Regardless of whether we are able to convince the Special Committee to recommend our tender offer, we remain committed to completing our transaction.

As a shareholder, you are currently faced with a choice between BGC s superior $5.25 per share all-cash offer and the inferior $4.55 per share all-stock transaction GFI announced with CME Group Inc. (CME) which involves serious conflicts of interest. **The decision is clear and BGC urges GFI shareholders to promptly tender their shares**.

Our intent in launching the tender is unambiguous we are committed to delivering greater tangible value to GFI shareholders through a transaction with BGC. Consider the following facts about what our offer provides:

Superior Premium. The tender offer represents a premium of 70 cents, or more than 15%, to the $4.55 per share all-stock transaction announced by CME and GFI Group on July 30, 2014 and a premium of more than 68% to the price of GFI Group shares on July 29, 2014, the last day prior to the announcement of the CME transaction.

Immediate Liquidity at Closing. BGC s all-cash offer provides GFI shareholders who tender their shares with certain liquidity promptly after acceptance for payment.

No Conflicts. In a clear conflict of interest, the CME transaction provides for GFI management to purchase GFI s brokerage business from CME at a discount to what we believe the value of that business should be. We believe the CME transaction would deprive GFI shareholders of the value of their investment.

We also urge you to not be misled by the attempts of GFI s conflicted management team to discredit our tender offer. As an owner of approximately 13.4% of GFI s outstanding shares, we want to maximize the value of our shares, just as you do. Our transaction provides GFI shareholders with the certainty of realizing the value of our clearly superior proposal. We ask you to please consider these important points when making your decision about tendering your shares:

Special Committee is Empowered to Cede Control of GFI s Board to BGC. Both the BGC tender offer and the proposed CME transaction provide the buyer with board control, so BGC s request for a two-thirds majority of GFI s board is not only consistent with the rights CME has in its merger agreement, but a logical and reasonable request for a majority owner. Importantly, new members can be appointed to GFI s board at any time between annual meetings by a majority of its existing directors without the need for approval by GFI management, and their board can have up to nine members. Therefore, the Special Committee holds the ability to achieve our board conditions through an expansion of the board, resignations, and the filling of additional board seats with BGC s nominees. In the context of a superior offer which is supported by a majority of shareholders, we believe that it would be appropriate, reasonable, and consistent for the Special Committee to take these actions.

GFI s Management Cannot Unilaterally Block BGC s Tender Offer. BGC does not need the approval of two-thirds of GFI shareholders in order to complete its proposed transaction, nor does it need the approval of the current management of GFI. Rather, we seek the tender of enough shares of GFI common stock such that, when added to the stock we already own, we would own a majority of the outstanding shares of GFI common stock on a fully diluted basis. Our offer in no way requires a super-majority of GFI shareholders; it only involves the tender of approximately 37% of the fully diluted shares of GFI in addition to the shares we already own, which is a lower threshold than the CME transaction. Shareholders can expect to receive $5.25 per share, even though BGC and GFI will remain separate companies after the completion of our tender offer.

Table of Contents

Similar Protection and Value Preservation. Unlike CME, we are not a party to any agreement with GFI. Our offer therefore seeks nothing more than to establish similar protection as if we were party to an agreement with GFI. Like any acquirer, BGC is seeking to ensure that GFI remains the same valuable asset at closing that it is today. Accordingly, our amended tender offer revises the impairment condition to clarify that it is only intended to protect BGC from actions taken by GFI on or after the announcement of the CME transaction that are outside of the ordinary course of business. Such actions might include new change-of-control agreements with executives or other non-arm s length arrangements that would have a materially negative impact on the value of GFI. BGC is also amending its tender offer to provide for an objective reasonableness standard to determine whether this condition has been satisfied.

No Financing or Anti-Trust Barriers to Completing Tender. BGC has secured committed financing from Morgan Stanley Senior Funding, Inc. and the offer has no financing condition. In addition, BGC has received early termination of the waiting period under the Hart-Scott-Rodino Antitrust Act.

Active Engagement on Regulatory Approvals. BGC is already a similarly regulated financial services company in good standing in most of the jurisdictions in which GFI operates and is actively engaged in obtaining necessary regulatory approvals.

Commitment to Accepting Shares. Until the expiration of the offer, GFI shareholders have the ability to withdraw their shares from the BGC offer at any time. Therefore, there is only upside for GFI shareholders in tendering their shares.

BGC Has Long Desired a Transaction with GFI. Over the course of several years, we have repeatedly expressed an interest in acquiring GFI. We have done this via direct communication with members of GFI s management team, as well as through outside intermediaries. Indeed, on July 29, 2014, the day before the CME transaction was announced, we sent a letter reiterating our interest in a transaction directly to Messrs. Michael Gooch and Colin Heffron. We began to acquire a significant number of shares of GFI common stock more than a year earlier. Our interest in acquiring GFI is therefore neither recent nor did it begin after the CME announcement.

SEND A MESSAGE TO YOUR BOARD NOW

WE URGE YOU TO TENDER YOUR SHARES TODAY!

In summary, GFI s arguments for recommending that shareholders reject our offer simply do not add up: our $5.25 all-cash offer is clearly superior to the $4.55 in stock consideration under the CME transaction.

Tendering your shares will send a strong message to the Board that you prefer our superior offer to the proposed CME transaction and will make it clear that you expect GFI to take every action necessary to enable you to realize the value to which you are entitled.

Thank you for your support,

/s/ Howard W. Lutnick
Howard W. Lutnick
Chairman and CEO

On November 12, 2014, counsel for the GFI Special Committee sent a revised draft of the tender offer support agreement to counsel for BGC, and on November 15, 2014, counsel for BGC sent a revised draft of the tender offer support agreement to counsel for the GFI Special Committee.

On November 16, 2014, counsel for BGC and counsel for the GFI Special Committee held a telephonic conference to discuss the draft of the tender offer support agreement, dated November 15, 2014. Such discussions included the required regulatory approvals BGC required for the Offer and the appropriate methods of exchanging information given the lack of a nondisclosure agreement between the parties.

From November 18 through November 30, 2014, counsel for the GFI Special Committee and counsel for BGC exchanged drafts of the tender offer support agreement and met telephonically to discuss the tender offer support agreement to attempt to reach an agreement that the GFI Special Committee would consider a Superior Proposal under the terms of the CME/GFI Merger Agreement.

Table of Contents

On December 2, 2014, GFI issued a press release announcing that GFI and CME had entered into revised definitive agreements to increase the consideration payable to GFI stockholders pursuant to the CME Transaction from $4.55 per Share, payable in CME stock, to $5.25 per Share, payable in a mix of CME common stock and cash.

On December 11, 2014, Mr. Lynn delivered the letter below to the board of directors and Special Committee of GFI.

December 11, 2014

Board of Directors and Special Committee of GFI Group Inc.

c/o Christopher D Antuono, General Counsel and Corporate Secretary

GFI Group Inc.

55 Water Street

New York, New York 10041

c/o Morton A. Pierce and Bryan J. Luchs

White & Case LLP

1155 Avenue of the Americas

New York, New York 10036

To the Board of Directors and Special Committee of GFI Group Inc. (GFI):

As you know, we commenced a tender offer on October 22, 2014 to acquire 100% of the stock of GFI for $5.25 in cash, and have engaged in extensive negotiations with counsel to the special committee of the GFI board to amend the terms of the offer so that the special committee would change its recommendation in favor of our offer. We believe that, as a result of those negotiations, we had reached substantial agreement with counsel to the special committee on the form of a tender offer agreement that could be executed between GFI and BGC Partners following the termination of the merger agreement between GFI and the CME Group Inc. Following agreement on this form, but prior to a change in recommendation by the special committee, CME Group and GFI management submitted a revised merger agreement that would provide GFI stockholders with CME common stock and cash with an aggregate value of $5.25 per share.

While we continue to believe our existing all-cash $5.25 offer is superior to the offer provided by CME and GFI management because it provides GFI shareholders with immediate and certain value, in light of the revised CME/GFI management agreement, we are hereby submitting a revised proposal to acquire 100% of the GFI common stock at $5.45 per share in cash. Except for the increase in purchase price, our revised offer would be on the same terms and conditions set forth in the form of tender offer agreement that we had negotiated with counsel to the special committee. Accordingly, our offer would not subject to a financing condition. We also recently obtained the final regulatory approval that we were seeking to complete the transaction, and therefore we see no regulatory impediment to closing our transaction immediately.

As previously discussed with counsel to the special committee, we would deliver the executed tender offer support agreement pursuant to an escrow letter. To address the remaining concern that counsel to the special committee had raised regarding the escrow letter, we would be willing to remove the provision in the escrow letter that had provided that the escrow would terminate if the GFI special committee did not satisfy the board condition prior to the completion of our tender offer. Therefore, our revised offer is superior to the current CME/GFI management agreement in every way value, speed and certainty.

In addition to the clear superiority of our offer for GFI stockholders, we continue to believe that GFI s customers and brokers would benefit from GFI being part of a larger, better capitalized and more diversified company. We remain confident that a combination of GFI and BGC will result in increased productivity per broker and meaningful synergies.

Table of Contents

Our offer therefore clearly provides GFI stockholders with value that is superior to that offered by the CME and GFI management and also provides superior value to GFI s other constituencies. We look forward to re-engaging in discussions with you to finalize the transaction.

Sincerely,

Shaun D. Lynn

President

BGC Partners, Inc.

499 Park Avenue

New York, NY 10022

On December 12, 2014, counsel for the GFI Special Committee informed counsel for BGC that the GFI Special Committee had determined that BGC s December 11 proposal could reasonably be expected to lead to a Superior Proposal as defined in the CME/GFI Merger Agreement, but that under the CME/GFI Merger Agreement, the board of directors of GFI was required to make such determination following recommendation of the Special Committee before GFI could participate in discussions or negotiations with BGC regarding its proposal. On December 18, 2014, counsel to the Special Committee informed counsel to BGC that the GFI board of directors had met but had not yet voted to determine whether BGC s December 11 proposal could reasonably be expected to lead to a Superior Proposal as defined in the CME/GFI Merger Agreement.

On December 23, 2014, the GFI Board met and, upon the unanimous recommendation of the Special Committee determined that the Offer, as revised, could reasonably be expected to lead to a Superior Proposal (as defined in the GFI Merger Agreement).

Between December 26, 2014 and January 1, 2015, counsel for the GFI Special Committee and counsel for BGC exchanged drafts of the tender offer support agreement and met telephonically to discuss the tender offer support agreement. During such discussions, counsel for the GFI Special Committee informed BGC s counsel that several additional modifications might be required to the tender offer support agreement.

On January 7, 2014, BGC extended the Offer until 5:00 p.m., New York City time, on January 27, 2015. In addition, on January 7, 2014 BGC announced its intention to commence a proxy solicitation to solicit votes against GFI s proposed merger at the GFI special meeting.

On January 8, 2015, BGC filed its preliminary proxy statement to commence a proxy solicitation to solicit votes against GFI s proposed merger at the GFI special meeting.

In addition, on January 8, 2015, BGC sent a letter to the GFI Board and GFI Special Committee copied below.

January 8, 2015

Board of Directors and Special Committee of GFI Group Inc.

c/o Christopher D Antuono, General Counsel and Corporate Secretary

GFI Group Inc.

55 Water Street

New York, New York 10041

c/o Morton A. Pierce and Bryan J. Luchs

White & Case LLP

1155 Avenue of the Americas

New York, New York 10036

To the Board of Directors and Special Committee of GFI Group Inc. (GFI):

As you know, BGC Partners, Inc. (BGC) has commenced a tender offer to acquire 100% of the shares of GFI for $5.45 in cash per share. Our tender offer is fully financed, and we have already obtained all regulatory approvals necessary to complete the tender offer. Moreover, to make it easier to complete our tender offer, we have reduced the minimum tender condition from a majority of outstanding shares on a fully diluted basis to 45% of the outstanding shares. In contrast, GFI s proposed transaction with a consortium of management and CME Group Inc. (CME) would only provide the GFI stockholders with $5.25 per share, consisting of a combination of cash and CME common stock, and requires approval of a majority of the outstanding GFI common stock held by persons other than the management consortium. Our proposed offer is therefore superior to the joint CME/management bid in every way value, form of consideration and certainty of closing.

Despite the clear superiority of our offer, we have faced continued obstacles and delaying tactics, which we believe are the result of actions taken by Michael Gooch and Colin Heffron, who have a conflicting personal commitment to the joint CME/management bid for GFI and are actively sabotaging the transaction with BGC.

Ongoing Negotiations

To recap the situation, over the past three years, we have expressed an interest in a potential combination of BGC and GFI, and members of our management and GFI management have had explicit discussions regarding such a potential combination. Most recently, on July 29, 2014, we sent a letter to Messrs. Gooch and Heffron expressly stating that we were interested in acquiring GFI, and that we could offer a price per share substantially in excess of GFI s current trading price. BGC received no response to this letter. Instead, the next day, on July 30, 2014, GFI entered into a series of agreements with CME in which CME would acquire GFI for $4.55 per share. The CME transaction had at least two extraordinary features: (1) first, CME agreed that, immediately after it acquired GFI, it would sell to a consortium of GFI management the brokerage business of GFI for $165 million in cash (for a business that had total balance sheet cash of $231 million on June 30, 2014 and $223 million as of September 30, 2014) and the assumption, at closing, of certain unvested deferred compensation and other liabilities; and (2) second, certain GFI stockholders, including entities controlled by Mr. Gooch that collectively control 38% of the outstanding GFI shares, entered into support agreements providing that they would vote in favor of the joint CME/management transaction and against any alternative bid, even if that bid is superior to the joint CME/management transaction, and would continue to vote against any alternative bid for up to one year after the CME/management transaction was terminated. Because the GFI certificate of incorporation requires that mergers receive the approval of at least two-thirds of the stock voting at a stockholders meeting, the support agreement effectively precludes any alternative merger transaction for at least one year following the termination of the CME merger agreement.

Despite these obstacles, BGC continued to seek a superior transaction with GFI for its shareholders as well as its customers and brokers. On September 8, 2014, we sent a letter to the GFI board offering to acquire 100% of the GFI common stock at a premium of more than 15% to the price offered by the joint CME/management bid. That offer was fully financed and not subject to any financing contingency. We also commenced a tender offer to acquire 100% of the GFI stock at the same price. Since that time, we have engaged in good-faith discussions with the GFI special committee for more than three months, and in the course of those discussions, we have resolved and addressed each and every meaningful issue raised by the GFI special committee.

Thus, the GFI special committee has in hand a fully negotiated set of agreements pursuant to which BGC can acquire all of the tendered shares of GFI common stock at $5.45 per share in cash. Our offer price represents a premium of $0.20 per share over the joint CME/management bid and provides immediate and certain value to the GFI stockholders since it is all cash, as opposed to CME s offer of mostly common stock and some cash. Both the GFI special committee and the GFI board have claimed that shareholder value is their primary focus. If this is true, we believe that both the GFI special committee and the GFI board are obligated to recommend the BGC superior offer to shareholders and support BGC s bid, including by meeting the board condition outlined in BGC s offer.

Equity Awards and Employment Agreements

We are also very troubled by the recent media reports that GFI brokers have asked GFI to amend their equity awards and broker employment agreements such that, if BGC completes its acquisition of GFI, the GFI brokers could quit GFI without consequence, and receive acceleration of all of their unvested equity awards. According to media reports, the termination rights and accelerated vesting would apply only if BGC were to acquire GFI, and not if CME or any other entity or person were to acquire GFI. It seems clear to us that these outrageous demands were encouraged and incited by Messrs. Gooch and Heffron and GFI management as a means to favor their own joint bid for the company. These actions, if taken, would be against the interest of all GFI shareholders, who deserve the highest price for their stock. The financial brokerage business is highly employee driven, and broker employment agreements and incentive compensation arrangements are critical to its success, at BGC and GFI. If GFI were to agree to employee termination rights or provide these windfall acceleration of RSUs, it would greatly diminish the value of the company for the GFI stockholders, by self-inflicting a grave wound on GFI, merely to favor an inferior self-interested and conflicted transaction that only benefits Messrs. Gooch and Heffron.

We have been clear to the GFI special committee and reiterate now that we would consider any conduct by GFI that incentivizes GFI brokers to leave the company as a clear breach of the fiduciary duties of any director or officer who promotes or approves such incentives. It cannot be in the interest of GFI s public shareholders for management to promote or effect new compensation incentives that diminish the value of GFI by incentivizing GFI employees to leave the company in the event of the success of the BGC bid. Such tactics are reminiscent of crown-jewel options, change-of-control puts, leveraged recapitalizations and other anti-takeover tactics that cannot be justified in a situation where management has already signed up a management-buyout agreement with a third party and a different third party has topped that bid.

BGC has attempted to address these employment issues by making clear in a recent press release that it would continue to honor previously agreed GFI RSUs or deferred compensation on the original vesting schedules, or, at the election of the employees, to pay for such units at $5.45 in cash. Nevertheless, BGC reserves all its rights with respect to any such detrimental future actions by GFI or the officers and directors of GFI.

Delays by the GFI Board

We also believe that Messrs. Gooch and Heffron have and continue to abuse their positions as directors of GFI to frustrate the consummation of our superior proposal. For example, following GFI s agreement with CME for a revised transaction price of $5.25 per share in cash and CME stock, we sent a letter on December 11, 2014 to the GFI board and special committee offering to increase our price to $5.45 per share in cash. As part of our offer, we indicated that we would be willing to sign the tender offer agreement and related agreements containing the terms and conditions that we had negotiated with counsel to the special committee, including agreeing to the one remaining outstanding term that had been requested by counsel to the special committee. Within a day of providing this letter, on December 12, 2014, the GFI special committee agreed that our offer could reasonably be expected to lead to a superior offer and that same day, the special committee requested that GFI convene a meeting of the GFI board to act on the special committee s recommendation, both actions which are required Section 6.5(f) the CME merger agreement. Despite this timely request, the GFI board, including Messrs. Gooch and Heffron, failed to act on this recommendation for eleven days until December 23, 2014 and acted only after meeting three times because the GFI board failed to take any action at the first two meetings. Their reaction, when finally delivered, was included solely in an SEC filing, not in a public press release, at a time when most analysts, investors and reporters were unlikely to notice.

It seems obvious to us that the GFI board s failure to take prompt action, including an action that was clearly recommended by the GFI special committee, is the result of the influence of Messrs. Gooch and Heffron, who, despite their unambiguous conflicted financial interest in the transaction, are actually attending and participating in discussions at the GFI board meetings. This flagrantly inappropriate participation is affecting the ability of the GFI board to promptly take the actions recommended by the GFI special committee. This is a clear abuse by Messrs. Gooch and Heffron of their positions as directors of GFI, and an attempt to use their positions to frustrate the consummation of our superior proposal in favor of their inferior proposal. It is completely wrong and improper that, under these circumstances, Messrs. Gooch and Heffron continue to attend board meetings. Accordingly, we urge that Messrs. Gooch and Heffron be excluded from any future deliberations by the GFI board or special committee on these matters.

Despite these tactics by Messrs. Gooch and Heffron, we continue to be enthusiastic about the benefits of our superior offer both from a financial point of view for GFI s stockholders and more generally for GFI s customers, trading counterparties, regulators, vendors, brokers, and support staff. We encourage the GFI board and special committee to reject Messrs. Gooch and Heffron s conflicted, self-serving actions and the abuse of their positions in GFI s management and board in clear violation of their duties to all GFI stockholders and to take the actions necessary to support BGC s clearly superior tender offer.

Sincerely,

Shaun D. Lynn

President

BGC Partners, Inc.

499 Park Avenue

New York, NY 10022

On January 9, 2015, BGC issued a press release announcing the filing of its preliminary proxy statement and which contained a letter to GFI shareholders copied below. In addition, on January 9, 2015, BGC issued a press release regarding the letter sent to the GFI Board and GFI Special Committee on January 8, 2015.

PROTECT THE VALUE OF YOUR INVESTMENT IN GFI

VOTE AGAINST THE INFERIOR $5.25 CME-GFI TRANSACTION

TENDER YOUR SHARES TO RECEIVE BGC S SUPERIOR

$5.45 PER SHARE ALL-CASH OFFER

January 9, 2015

Dear GFI Shareholder:

We urge you to protect the value of your investment in GFI Group by voting **AGAINST** all of the proposals at the special meeting of GFI shareholders scheduled for January 27th and by tendering your shares into BGC s higher offer. The facts are clear. BGC s $5.45 per share fully financed, all-cash tender offer provides superior value and immediate liquidity at closing and is free of the conflicts of interest inherent in the proposed CME-GFI merger that provides shareholders with an inferior value for your shares. We will soon be sending you a proxy statement and GOLD proxy card that will enable you to submit a proxy to BGC so that we may vote against the CME-GFI deal on your behalf. Meanwhile, you may always vote AGAINST on the proxy card provided to you by GFI in order to protect the value of your investment.

In addition to your vote AGAINST the proposed CME-GFI transaction, we also urge you to tender your shares into our clearly superior offer of $5.45 per share. Send a clear message to the GFI board that you expect them to act in your best interest by realizing maximum value for your GFI shares.

BGC S OFFER IS CLEARLY SUPERIOR

As you make your decision, consider the following important facts regarding BGC s offer:

Substantial Premium. BGC s cash offer of $5.45 per share represents a premium of $0.20, or approximately 4%, to the $5.25 per share stock and cash transaction announced by CME and GFI on December 2, 2014 and a premium of more than 75% to the price of GFI shares on July 29, 2014, the last day prior to the announcement of the original CME-GFI transaction.

Immediate Liquidity at Closing. BGC s all-cash offer provides GFI shareholders who tender their shares with certain liquidity promptly after acceptance for payment.

No Financing Contingency. BGC has a strong balance sheet and is well positioned to finance our offer which contains no financing condition.

GFI S BOARD HAS FAILED TO ACT IN THE BEST INTEREST OF

SHAREHOLDERS

VOTE <u>AGAINST</u> THE CME-GFI TRANSACTION TODAY

TENDER YOUR SHARES TODAY

BGC clearly expressed our interest in acquiring GFI to GFI s management prior to the announcement of the CME-GFI transaction. Since that time, in addition to offering GFI shareholders superior value, we have made numerous attempts at constructive dialogue to reach a negotiated agreement with GFI based on our analysis of the value of the company and our view of the compelling strategic benefits of a transaction. GFI s board has the ability to take action in recommending our clearly superior offer, but has failed to do so.

We believe the priorities of GFI s board are not aligned with all of GFI s shareholders. We urge you to vote **AGAINST** the CME-GFI transaction and tender your shares in favor of the BGC offer to protect the value of your investment.

Thank you for your support,

Howard W. Lutnick

Chairman and CEO

If You Have Questions About How to Vote Against the CME-GFI Transaction or

How to Tender Your Shares, Please Call:

INNISFREE M&A INCORPORATED

Stockholders May Call Toll-Free: (888) 750-5884

Banks & Brokers May Call Collect: (212) 750-5833

On January 13, 2015, BGC and the Purchaser delivered to GFI an offer letter, dated January 13, 2015 (the Offer Letter), together with a Tender Offer Agreement executed by BGC and the Purchaser (the Tender Offer Agreement), which GFI may countersign in accordance with the terms of the Offer Letter. As previously disclosed, BGC has engaged in good-faith discussions with the GFI Special Committee for more than three months, and, in the course of those discussions, BGC believes that it has resolved and addressed each and every meaningful issue raised by the GFI Special Committee. The executed Offer Letter and Tender Offer Agreement are the results of those discussions, and, therefore, BGC believes that their terms constitute a Superior Proposal under the CME Merger Agreement.

The Tender Offer Agreement provides that, once executed by GFI in accordance with the terms of the Offer Letter described below and in effect, BGC and Purchaser will amend the Offer so that the offer price will be increased to $5.60 per Share payable net to the seller in cash, without interest, and so that the conditions to the closing of the Offer are the ones set forth in the Tender Offer Agreement. Specifically, the conditions to closing of the Offer would be:

- that the number of Shares validly tendered and not withdrawn before the expiration of the Offer together with the Shares then owned by the Purchaser and its subsidiaries, represents at least 45% of all then outstanding Shares;

- that certain regulatory approvals continue to be in effect and have not been revoked, and any required approvals or waiting periods under certain foreign competition laws have expired or been terminated or obtained;

- that there be no legal actions or other legal restraints to consummate the transactions contemplated by the Tender Offer Agreement;

- that the representations and warranties of GFI, generally as qualified by a Material Adverse Effect standard defined in the Tender Offer Agreement, be accurate;

- that GFI comply in all material respects with its obligations, agreements and covenants under the Tender Offer Agreement; and

- that the Tender Offer Agreement has not been terminated.

In addition, pursuant to the terms of the Tender Offer Agreement, GFI will covenant for the GFI Board to take the actions necessary such that the nominees of BGC will constitute at least two-thirds of the members of the GFI Board and all of the members of the controlling body of each subsidiary of GFI immediately after the consummation of the Offer.

The Offer Letter is intended to provide assurance to the GFI Special Committee and the GFI Board that, as long as they effect the process set forth in the CME Merger Agreement to change their recommendation in favor of the Tender Offer Agreement, then BGC s and Purchaser s signature to the Tender Offer Agreement will remain in effect through the termination of the CME Merger Agreement. The Offer Letter therefore provides that, once the CME Merger Agreement is terminated (other than a termination due to a breach of GFI of its representations, warranties or covenants under the CME Merger Agreement), GFI may countersign the Tender Offer Agreement, at which time the Tender Offer Agreement will become effective. However, the Offer Letter will terminate, and GFI will no longer be able to countersign the Tender Offer Agreement, if, among other reasons, (i) the GFI Board fails to provide written notice to CME that it is prepared to effect a Change in Recommendation (as defined in the CME Merger Agreement) in accordance with the CME Merger Agreement on or prior to 8:00 p.m., Eastern Time, on January 19, 2015, (ii) the GFI Board fails to effect a Change in Recommendation in accordance with the CME Merger Agreement in favor of the Offer by public announcement on or prior to 8:00 p.m., Eastern Time, on January 24, 2015, or (iii) GFI fails to execute and deliver the Tender Offer Agreement within two business days following the earlier of (1) a qualifying termination of the CME Merger Agreement and (2) the GFI stockholders meeting at which the CME Merger Agreement is being voted on.

Table of Contents