

The Seam B2B Basis Trading

The B2B basis functionality, defined in rule 56(A) of The Seam’s Rules and Terms allows sellers to offer cotton with a basis price and buyers to bid on offers with a basis or fixed price. Once a transaction takes place, every basis trade of 50 bales or more will be followed by an Exchange for Physicals (EFP) to take place within the same trading day on trades conducted prior to 30 minutes before the closing of the Cotton #2 futures market at the New York Board of Trade (currently 12:45 p.m. CST). At the conclusion of the transaction, The Seam will transfer the physical bales from seller to buyer basis the market close and we will also instruct your designated broker to give up futures to the other side. All of this is conducted anonymously through The Seam. Trades concluded after 12:45 p.m. CST will be priced on the opening of the Cotton #2 futures market the next trading day.

In order to accommodate the EFP, we will need some information from you. Please provide us with the following information so that we can make sure you are ready to basis trade as quickly as possible. Please return this page by FAX to Teresa Lamar at 901.684.1998 or call Teresa or Kevin Brinkley at 901.374.0374 with questions.

- Broker
- Broker contact phone number
- Specific account number

EFP Brokerage Accounts

	Company Name	Contact	Phone Number	Account Number	Alternate Account Number
Broker 1*					
Broker 2					
Broker 3					

**Broker 1 will serve as your default broker/account.*

My company’s eligible basis traders include the following:

I have read the updated Participation Agreement and would like to participate in the B2B Basis Trading functionality.

Company _____
 Signature _____
 Name _____