

The Seam G2B Basis Trading

The G2B basis functionality, defined in rule 56(B) of The Seam’s Rules and Terms, allows sellers to receive basis bids on lots of cotton with 50 bales or more. Once a transaction takes place, a futures order will be placed by The Seam to sell futures contracts equivalent to dividing the total number of bales in the lot by 100 and rounding to the nearest whole number within a reasonable time period after the basis bid has been accepted by the seller. Trades can only be confirmed from the opening until 5 minutes before the close of the Cotton #2 Futures Contract at the New York Board of Trade. At the conclusion of the transaction, The Seam will calculate the fixed price by subtracting or adding the agreed basis price from the average price of the futures contracts sold and “give up” the futures contract(s) to the buyer’s account. It is the buyer’s responsibility to notify his or her broker to expect the ‘give up’. All of this is conducted anonymously through The Seam.

In order to accommodate the “give up”, 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.*

Please use the same broker information as assigned for B2B basis trading

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 _____