

BASIS TRADING PROCEDURE

In accordance with Article 1.7.4 of instruction n° 98-77 of November 20, 1998 (market organization – trading procedures), Matif SA informs its clearing and exchange members that the basis trading procedure is available on all open tradable maturities of the futures contracts in exchange for the underlying assets or a correlated asset as follows :

- Basis trades on the **2-year E-Note futures contract** are allowed only with French government bonds (BTANs, OATs, and OAT strips either Interest or Principal) as well as bonds issued by other States, members of the EMU, including the bonds strips either Interest or Principal, denominated in the currency of an EMU member State, or Ecu or Euro, with a maturity below or equal of five years.
 - Basis trades on the **5-year EURO futures contract** are allowed only with French government bonds (BTANs, OATs, and OAT strips either Interest or Principal) as well as bonds issued by other States, members of the EMU, including the bonds strips either Interest or Principal, denominated in the currency of an EMU member State, or Ecu or Euro, with a minimum maturity of two years.
 - Basis trades on the **10 year Euro notional bond futures contract** are allowed only with French government bonds (BTANs, OATs, and OAT strips either Interest or Principal) as well as bonds issued by other States, members of the EMU, including the bonds strips either Interest or Principal, denominated in the currency of an EMU member State, or Ecu or Euro, with a minimum maturity of two years.
 - Basis trades on the **30-year E-Bond futures contract** are allowed only with French government bonds (BTANs, OATs, and OAT strips either Interest or Principal) as well as bonds issued by other States, members of the EMU, including the bonds strips either Interest or Principal, denominated in the currency of an EMU member State, or Ecu or Euro, with a minimum maturity of two years.
 - Basis trades on **Emu sovereign debt futures contract** are allowed only with French government bonds (BTANs, OATs, and OAT strips either Interest or Principal) as well as bonds issued by other States, members of the EMU, including the bonds strips either Interest or Principal, denominated in the currency of an EMU member State, or Ecu or Euro with a minimum maturity of two years.
 - Basis trades on **3-month Euribor futures contract** are allowed in exchange for all futures contracts based on an underlying 3-month interest rate offered in Euro or in the currency of an EMU member State.
- "Against actuals" trades are authorized on **rapeseed futures** if the physicals leg in commodities involves pulses or oilseeds.
- "Against actuals" trades are authorized on **milling wheat futures** if the physicals leg in commodities involves cereals.
- "Against actuals" trades are authorized on **white sugar futures** if the physicals leg in commodities involves the underlying commodity.