

**Notice No.:** COMP-2010-009

**Issue Date:** April 22, 2010

**Subject:** Changes in Net Current Tangible Assets (NCTA) reporting requirement for DGCX Broker Members

---

Notice to all Broker Members

**Subject: Changes in Net Current Tangible Assets (NCTA) reporting requirement for DGCX Broker Members**

---

Dear Broker Member,

With immediate effect, the quarterly NCTA reporting requirement for Broker Members as described in By-Law E.3(c), has been amended in favour of a requirement for an annual auditor's certification, which confirms that each Member has maintained NCTA at or above minimum requirement continuously throughout the course of the previous year.

Broker Members are requested to adhere to the following new NCTA reporting processes and guidelines:

- The Member is required to submit to the Exchange a NCTA certification letter on their auditor's letterhead on or before January 31 of each year,
- The Member should ensure that the letter certifies that it has maintained NCTA at or above minimum requirement – as determined by the Exchange and pursuant to DCCC Rule B.5.1 for Broker-Clearing Members – continuously throughout the course of the previous calendar year.
- The Member is required to submit their first auditor's NCTA certification letter for the period January 1 2010 to December 31 2010 inclusive, on or before January 31 2011.
- The Member is to instruct its auditor that the calculation of the NCTA value must be in accordance with the definition of NCTA as described in Part A.2 of DGCX By-Laws, and outlined in Annexure 1 of this Notice.

Broker Members should note that to facilitate the change in NCTA reporting requirement, Exchange By-Law E.3(c) will be amended as detailed in Annexure 2 of this Notice. In observance of Exchange By-Law C.10, please note that the above amendment to By-Law E.3(c) will take effect on the day falling 14 days after the date of this Amendment Notice; which will be Thursday May 6 2010.

All Broker Members are requested to take note of the above.

**For Dubai Gold & Commodities Exchange**

**Tony Day**

**Head of Compliance, Audit and Membership**

**Notice No.:** COMP-2010-009

**Issue Date:** April 22, 2010

**Subject:** Changes in Net Current Tangible Assets (NCTA) reporting requirement for DGCX Broker Members

---

### **Annexure 1: Net Current Tangible Assets definition**

In relation to a Member, the sum of the values of the current assets owned by the Member or prospective Member as the case may be (such value being the lower of cost or market value) less the sum of any liabilities (secured and unsecured) attaching to those assets or to the Member or prospective Member generally (and in the case of a partnership, attaching to the assets of the partnership or to the partners generally).

For the purpose of this definition, "assets" shall not include: (a) the value attributed to any future tax benefits, goodwill, patent, trademark, membership rights granted by the Exchange, preliminary expenses or similar items which in the opinion of the auditors of the Exchange are treated in current internationally accepted accounting practice as intangible; (b) the value attributed to any debt owed to the Member which is disputed or may otherwise be regarded as doubtful; or (c) any asset which is not capable of being realized within twelve (12) months on a going concern basis.

For the purpose of this definition, "liabilities" shall include all non-current and current liabilities which in the opinion of the auditors of the Exchange are treated as liabilities in accordance with current internationally accepted accounting practice but may, if the Exchange so approves, having regard to all the circumstances, exclude approved subordinated debt.

### **Annexure 2: Amendment to By-Law E.3(c); with effect from Thursday May 6 2010**

By-Law E.3(c) currently states;

"provide to the Exchange a statement of Net Current Tangible Assets and Secured Creditors in a form approved by the Exchange within one (1) calendar month of the last Trading Day of the months of March, September and December in each year and within two (2) calendar months of the last Trading Day of the month of June in each year and at such other times as may be requested in writing by the Exchange. Such statement shall be signed by the Member or by a Partner or Director or a person duly authorized by the Member to sign such statement".

With effect from May 6 2010, By-Law E.3(c) will be amended to;

"provide to the Exchange annually by 31<sup>st</sup> January, a certification from the Member's auditors that NCTA has been maintained at or above minimum value, as determined from time to time by the Exchange, throughout the course of the previous calendar year".