

**Notice No.:** COMP-2020-004

**Issue Date:** 22 January 2020

**Subject: Net Current Tangible Assets (NCTA) Letter & Client fund reporting requirement for SCA Licensed Broker Members.**

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Notice to all Broker Members,

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In pursuance of DGCX By-Laws, DCCC Clearing Rules and SCA Requirements, all Broker Members holding valid regulatory license are required to submit to DGCX an NCTA certification letter on an external auditor's letterhead, for the period from 01 January – 31 December 2019 inclusive.

The NCTA certification provided by the Broker Member's auditors should certify that the Broker Member firm has maintained its NCTA at or above the minimum requirement as determined by DGCX and pursuant to DCCC Clearing Rules for Broker-Clearing Members, continuously throughout the course of the calendar year 2019.

In addition to the NCTA certificate submission, Broker Members are also required to submit an additional report in the format outlined in Annex A, for reporting the segregation of clients' accounts to that of any proprietary account in accordance with DGCX By-Laws. The report must be checked and verified by the Compliance Officer.

Broker Members are hereby notified that these are mandatory requirements and submission of the NCTA and the Client Fund Report must be made to DGCX on or before **Friday, January 31, 2020** ("the deadline").

Furthermore, Broker Members should note that in the event where any or both of the NCTA Letter and the Client Fund Report are not submitted by the stipulated deadline, DGCX reserves the right to take suitable action against the Member as deemed appropriate, which may include the imposition of a financial penalty.

**For Dubai Gold & Commodities Exchange**

**Maggie Mansour**  
**Compliance Director**

**ANNEX-A: STATEMENT OF RECONCILIATION OF CLIENTS' CREDIT BALANCES WITH THEIR CASH BALANCES WITH COMMODITIES BROKERAGE FIRMS**

*(Should be printed on Member's letterhead)*

Particulars		Amount in AED	Amount in USD
Clients' Balance as per Statement of Accounts	(1)		
Clients' Balance with Brokerage Firm in Bank	(2)		
Clients' Balance in Brokerage Firm's Bank A/c No. (1234 ) with XYZ Bank			
Clients' Balance in Brokerage Firm's Bank A/c No. (5678 ) with ABC Bank			
Clients' Fund with DCCC/Clearing member	(3)		
Cash (after haircut)			
Non-Cash (after haircut)			
Clients' Balance with Brokerage Firm in Bank and DCCC (2+3)	(4)		
Shortfall/Excess (4-1)			
<b>Note - Please clarify the reason for shortfall/excess in the Clients' funds.</b>			

**Compliance Officer**

**Name:**

**Signature:**

**Date:**