

Notice No.: CLRG/2006/001

Date January 25, 2006

Notice to all Members,

Sub.: Gold Futures Delivery Tender Procedure and Form

In pursuance of By-laws of DGCX, Clearing rules of DCCC, the delivery tender procedure and form to be prescribed by the Exchange/Clearing Corporation are hereby notified.

Members may note that on expiration of gold futures contract, all open positions shall be compulsorily settled by delivery of Gold using Dubai Gold Receipts (DGR) of Dubai Metals & Commodity Centre (DMCC).

If a Seller member fails to tender delivery notice for an open position, such member shall be in default. If a Buyer member fails to make payment with respect to delivery allocated, such member shall be in default. Appropriate action to deal with such defaults will be initiated in accordance with By-Laws of the Exchange and Clearing Rules of DCCC.

For the purpose of delivery, a Seller member may tender a delivery notice (in the prescribed format as per Annexure I) at any time during the tender period but not later than the business hours on the contract expiration date. To illustrate, For Feb-2006 contract, delivery notice may be tendered from the start of business hours on January 30, 2006 till end of business hours on February 7, 2006.

On receipt of tender delivery notice from the Seller on any given day during the tender period, Exchange shall allocate the delivery randomly to buyers who have open positions. The delivery thus allocated shall be settled on next delivery day as per procedure given below.

Gold Delivery Procedure:

Notice Day Events

Notice Day	Seller tenders delivery notice to DCCC prior to close of trading on that Business Day in prescribed format.
Transfer of DGRs by Seller to the Clearing Member's DGCX Delivery Account	Prior to close of trading on Notice Day, Seller shall transfer DGRs for delivery to Clearing Member's DGCX Delivery Account.

Delivery Day Events

Notification by DCCC to Sellers and Buyers.	Prior to 0600 hours on Delivery Day, daily data files shall be placed on the FTP Server informing members about the allotted quantities and settlement value
Notification by DCCC to Vaults	Prior to 0900 hours on Delivery Day, DCCC shall notify the vaults about the delivery details (Sellers, Buyers, Quantities, Canceling & Re-issuing DGRs)

Notification by DCCC to Buyers	Prior to 0900 hours on Delivery Day, DCCC shall notify the buyers about the vaults from where they will be receiving deliveries and respective quantities.
Preparation of Deliveries by Vaults	By 1300 hours on Delivery Day, Vaults shall get the gold ready for delivery including splitting of boxes, making bar list, etc.
Pay-in of Funds	By 1400 hours on Delivery Day
Pay-out of Commodities	Between 1500 to 1700 hours on Delivery Day, DCCC shall instruct DMCC to transfer endorse DGR(s) in favour of Buyers.
Pay-out of Funds	Between 1800 to 1830 hours on Delivery Day, DCCC shall make payment to the Seller.

List of approved Vaults for delivery of Gold

Vault	Vault Location
Brinks Global	Dubai Airport Freezone
Transguard	Dubai Airport Freezone
MAF - Securicor	Rashidiya

Members are requested to take note of the same.

For Dubai Gold & Commodities Exchange

Framroze Pochara

Chief Executive Officer

Annexure 1 – Format of Delivery notice to be tendered by the Seller Member for Delivery

(On the letterhead of Clearing Member)

Date:

To:
Dubai Commodities Clearing Corporation (DCCC)
Emaar Business Park, Bldg. No.2, Level 1
Sheikh Zayed Road
P.O. Box 37736
Dubai, U.A.E.

FAX No: +971-4-3611669

Dear Sir/Madam,

Sub: Delivery Tender Form

As per terms of <specify commodity name> contract specifications of DGCX, we / our client are required to make delivery of goods for settlement of short open position upon expiry of contract traded on the Exchange.

We hereby tender the delivery to be affected with details as given below:

Clearing Member Code & Name	
Trading Member Code & Name	
Contract	<i>e.g. Gold : February-2006</i>
Client Code & Name	
Vault/Warehouse Location	
DGR Number	<i>For each DGR Number, a separate delivery tender form needs to be submitted for each.</i>
Delivery Quantity	

I/We certify that the information mentioned above is correct and I/We undertake to maintain all records in our books for necessary inspection and audit by the Exchange / regulatory authorities.

We hereby authorize DCCC to execute all necessary actions including instructing relevant parties to carry out activities relevant to transfer of commodities in favour of receiving member/client as per Clearing rules of DCCC.

Yours faithfully,

Authorized Signatory

Name:

Designation: