

Notice No.: TRDG-2006-004

Issue Date: March 13, 2006

Sub.: Introduction of Silver Futures

Notice to all Members,

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In pursuance of By-laws of DGCX, Clearing rules of DCCC; the following is hereby notified:

The Exchange will introduce Silver futures contracts with effect from Tuesday, March 28, 2006.

Following futures contracts will be listed on the Exchange for trading:

1. Silver July 2006 contract
2. Silver September 2006 contract
3. Silver December 2006 contract
4. Silver March 2007 contract

The trading hours shall be from 10:00 a.m. to 10:30 p.m.

The Silver futures contract specifications and contract calendar are prescribed in the enclosed Annexures (1 & 2), which will be binding on all the members and constituents trading through them.

Members are requested to take note of it.

For Dubai Gold & Commodities Exchange

Gaurang Desai

DGM – Market Operations

Annexure 1 - Dubai Silver Contract Specifications

Trading:

Contract Size	1,000 troy ounces.
Quality Specification	Min 0.999 purity, as per Dubai Good Delivery Standard
Trading Months	Mar, Jul, Sep and Dec
Last Trading Day	Business Day immediately preceding sixth Delivery Day
New Contract Listing	On the last Delivery Day
Price Quote	US\$ quoted in Cents per troy ounce
Minimum Tick Size	US\$ quoted in Cents - 0.5 Cent
Price Movement Limit	US\$ quoted in Cents - 50 Cents – Note 1*
Max Open Position Limit	As determined and specified by the Exchange
Max Order Size	200 contracts
Trading Days	Opening: Monday through Friday Later: Saturday through Friday
Trading Hours	M/F 1000 – 2230 Hrs (one hour earlier in the summer) Sat: 1000 – 1300 Hrs Sun: 1800 – 2100 Hrs

Note 1*: If price breaches the daily price movement limit, trading in particular contract shall continue but, within the current daily range for next 30 minutes. There-after the new trading range will become applicable. However, if the price movement limit is breached during the last 30 minutes of trading on any business day, the new range will be applicable immediately.

Margins:

Initial Margin	US\$ 450 per contract
Spread Position Margin	Nil on matched positions.
Extra Margin	In case of additional volatility, an Extra Margin as deemed fit by the Exchange; will be imposed on all open positions.
Delivery Period Margin	US\$ 2,250 per contract is applicable during the last six trading days for all open long or short positions that have not been liquidated.

Delivery related information:

Delivery Unit	30 Kg
Deliverable Weight	30 Kilograms cast in one bar of 1,000 troy ounces (10% more or less)
Deliverable Quality	Minimum 0.999 fineness – Note 2*
Approved CMLs	Names as listed on the DGCX website.
Approved Refiners	Names as listed on the DGCX website.
Approved Vaults	Names as listed on the DGCX website.
Delivery Period	First through Sixth Delivery Day of the Delivery Month
First Notice Day	Business Day immediately preceding First Delivery Day

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Last Notice Day	Business Day immediately preceding Sixth Delivery Day
Delivery Process	Compulsory Delivery as allocated by the Exchange on a random basis
Vault charges	Rates applicable as published on the DGCX website.
Delivery Instrument	Dubai Gold Receipt (i.e. Standard DGR along with validated Refiner's certificate or CMI-Certified DGR only)

Note 2*: If Silver of higher fineness is delivered, no premium shall be paid.

Delivery Procedure:

	Notice Day
Notice Day	Seller notifies DCCC of the intention to deliver on the Business Day preceding Delivery Day, prior to close of trading on that Business Day. The notification shall include DGR numbers and quantities that will be delivered.
Transfer of DGRs by seller to the Clearing Member's DGCX Delivery Account	Prior to 2230 Hrs on Notice Day Seller transfers DGRs for delivery to Clearing Member's DGCX Delivery Account.
	Delivery Day
Notification by DCCC to Seller and Buyer.	Prior to 0600 Hrs on Delivery Day through daily data files through FTP Server to Seller and Buyer about the allotted quantities and settlement value
Notification by DCCC to Vaults	Prior to 0900 Hrs on Delivery Day, DCCC notifies the vaults about the delivery details (Sellers, Buyers, Quantities, Canceling & Re-issuing DGRs)
Notification by DCCC to Buyers	Prior to 0900 Hrs on Delivery Day, DCCC notifies the buyers about the vaults from where they will be receiving deliveries and respective quantities.
Preparation of Deliveries by Vaults	By 1300 Hrs on Delivery Day, Vaults prepare for deliveries include splitting of boxes, making bar list, etc and are ready.
Pay-in of Funds i.e. Buyer makes payment	By 1400 Hrs on Delivery Day.
Pay-out of Commodities i.e. Transfer of Title	1500 – 1700 Hrs on Delivery Day, DCCC instructs DMCC to transfer endorse DGR(s) in favour of Buyers.
Pay-out of Funds i.e. Seller receives payment	1800 - 1830 Hrs on Delivery Day, DCCC makes payment to the Seller.

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Annexure 3 – Silver Contract Calendar

Commodity	Symbol	Contract Month	Trading Period		Tender Period		Delivery Period	
			Start Date	Expiry Date	Start	End	Start	End
SILVER	DS	Jul-2006	28-Mar-2006, Tue	07-Jul-2006, Fri	30-Jun-2006, Fri	07-Jul-2006, Fri	03-Jul-2006, Mon	10-Jul-2006, Mon
		Sep-2006	28-Mar-2006, Tue	06-Sep-2006, Wed	01-Sep-2006, Wed	06-Sep-2006, Wed	02-Sep-2006, Sat	07-Sep-2006, Thu
		Dec-2006	28-Mar-2006, Tue	07-Dec-2006, Thu	01-Dec-2006, Fri	07-Dec-2006, Thu	03-Dec-2006, Sun	08-Dec-2006, Fri
		Mar-2007	28-Mar-2006, Tue	05-Mar-2007, Mon	28-Feb-2007, Wed	05-Mar-2007, Mon	01-Mar-2007, Thu	06-Mar-2007, Tue