

# NobleFXM

## Disclosure of Trading Risks

Effective Date: [TO BE CONFIRMED]

Version: DRAFT v1

Classification: Confidential

**THIS DOCUMENT IS A DRAFT FOR QUALIFIED LEGAL COUNSEL REVIEW.  
IT DOES NOT CONSTITUTE FINAL LEGAL ADVICE AND IS NOT INTENDED FOR CLIENT DISTRIBUTION.**

NobleFXM, Ltd  
Saint Lucia International Business Company (IBC)  
Registration No. 2026-00159  
Ground Floor, The Sotheby Building, Rodney Bay, Gros-Islet, Saint Lucia

## DISCLOSURE OF TRADING RISKS

Effective Date: [TO BE CONFIRMED]

### 1. INTRODUCTION

NobleFXM, Ltd ("the Company"), a Saint Lucia International Business Company (IBC) with registration number 2026-00159, registered at Ground Floor, The Sotheby Building, Rodney Bay, Gros-Islet, Saint Lucia, P.O. Box 838, Castries, Saint Lucia, provides this Risk Disclosure document to inform prospective and existing clients of the material risks associated with trading Contracts for Difference ("CFDs") and other leveraged financial instruments offered through the Company's platforms.

This document does not disclose all risks associated with CFD trading. It is intended to provide a general overview of the nature and risks of leveraged trading products. You should not engage in CFD trading unless you fully understand the nature of the transactions you are entering into, the extent of your exposure to risk, and the potential for losses. Trading CFDs may not be suitable for all investors.

You should carefully consider whether trading is appropriate for you in light of your financial circumstances, investment experience, risk tolerance, and investment objectives. If you are in any doubt, you should seek independent professional financial advice before opening an account or placing any trades.

**[COUNSEL TO REVIEW: Confirm the adequacy of this Risk Disclosure under Saint Lucia Financial Services Authority requirements. Assess whether additional disclosures are required for EU/EEA clients under MiFID II or for clients from other jurisdictions with specific risk disclosure requirements.]**

### 2. GENERAL RISKS OF CFD TRADING

#### 2.1 Leverage Risk

CFDs are leveraged products. Trading with leverage means that you can open positions with a value significantly greater than the amount of capital you deposit as margin. Leverage amplifies both potential profits and potential losses. A relatively small market movement can lead to a proportionately much larger movement in the value of your position. This can work against you as well as for you. You may sustain losses that exceed your initial deposit or margin.

Leverage limits vary by instrument class, account type, and applicable regulation, and are set out in the Company's Leverage and Margin Policy. Higher leverage increases both the potential reward and the potential risk.

#### 2.2 Market Risk

The prices of CFDs are derived from the prices of the underlying assets, which can be highly volatile. Prices may fluctuate rapidly in response to economic events, geopolitical developments, market sentiment, supply and demand factors, regulatory changes, and other factors that are beyond the control of the Company or the client. You may not be able to close a position at the price you desire, and you may incur losses.

#### 2.3 Volatility Risk

Financial markets can experience periods of extreme volatility, during which prices may move rapidly and significantly. During such periods, spreads may widen, liquidity may decrease, and execution prices may differ materially from quoted prices. Events such as major economic data releases, central bank decisions, political events, and natural disasters can trigger extreme market volatility.

#### 2.4 Gap and Weekend Risk

Markets may "gap" — meaning that the price of an instrument opens at a materially different level from its previous closing price. Gaps can occur after weekends, holidays, or during periods of low liquidity or high-impact news events. Stop-loss orders may be executed at prices significantly worse than the specified stop price during gap events. This means your losses may exceed the level at which your stop-loss was set.

#### 2.5 Liquidity Risk

Under certain market conditions, it may be difficult or impossible to liquidate a position. This can occur, for example, during rapid price movements if the price rises or falls to such an extent that trading in the underlying market is restricted or suspended. The Company does not guarantee that a market will be available for trading at all times, nor

## DISCLOSURE OF TRADING RISKS

Effective Date: [TO BE CONFIRMED]

that orders will be filled at the requested price.

### 2.6 Counterparty Risk

When you trade CFDs with the Company, you are entering into transactions with the Company as your counterparty. These transactions are not conducted on an exchange and are not cleared through a central counterparty. Accordingly, you are exposed to the credit risk and insolvency risk of the Company.

Client funds deposited with the Company are held in segregated sub-accounts in the name of each client. However, the level of protection afforded by segregation may be limited in the event of the Company's insolvency.

**[COUNSEL TO REVIEW: Confirm the accuracy of client fund segregation arrangements and the level of protection afforded under Saint Lucia law in the event of insolvency.]**

### 2.7 Technology and Platform Risk

Trading is conducted through electronic platforms (MetaTrader 5 and TradeLocker). You are exposed to risks associated with the use of technology, including but not limited to: hardware or software failure, internet connectivity issues, power outages, cyber-attacks, data corruption, delays in order transmission or execution, and platform unavailability. The Company shall not be liable for losses arising from technology failures beyond its reasonable control.

### 2.8 Regulatory Risk

The regulatory environment for CFD trading and related financial services may change. Changes in laws, regulations, or tax treatment in any jurisdiction may adversely affect the value of your investments, the availability of certain products or services, and your ability to trade. The Company may be required to alter or cease offering certain products or services in response to regulatory changes.

### 2.9 Currency Risk

If you trade instruments denominated in a currency other than your base account currency, exchange rate fluctuations may affect the value of your positions, deposits, and withdrawals. Currency risk can amplify or reduce your trading gains or losses.

---

## 3. RISKS SPECIFIC TO INSTRUMENT CLASSES

### 3.1 Forex (Foreign Exchange)

Forex trading involves the simultaneous buying of one currency and selling of another. Currency values are affected by interest rates, inflation, trade balances, political stability, and other macroeconomic factors. Forex markets operate 24 hours a day during the trading week and can experience rapid price movements at any time, particularly around major economic releases and central bank announcements.

### 3.2 Precious Metals (Gold, Silver, Platinum, Copper)

Precious metals prices can be highly volatile and are influenced by global supply and demand, central bank policies, inflation expectations, geopolitical tensions, and industrial demand. Gold (XAUUSD) in particular can experience sharp intraday movements. Trading metals with leverage amplifies both gains and losses.

### 3.3 Indices

Index CFDs are based on the performance of baskets of stocks representing segments of stock markets (e.g., US30, NAS100, SPX500). Index prices are affected by the performance of constituent companies, sector trends, and broader economic conditions. Index CFDs may have different trading hours from the underlying markets.

### 3.4 Cryptocurrency CFDs

Cryptocurrency CFDs carry additional risks due to the highly speculative and volatile nature of cryptocurrencies. Cryptocurrency prices can move dramatically in very short periods. The cryptocurrency market is relatively new, less regulated, and subject to significant uncertainty regarding future regulatory treatment. Cryptocurrency markets operate 24/7. The Company offers cryptocurrency CFDs with maximum leverage of 1:10, reflecting their elevated risk profile.

## DISCLOSURE OF TRADING RISKS

Effective Date: [TO BE CONFIRMED]

### 3.5 Stock CFDs

Stock CFDs allow you to speculate on the price movements of individual company shares without owning the underlying shares. Stock prices are influenced by company earnings, industry trends, market sentiment, and macroeconomic conditions. Stock CFDs may be subject to trading halts, corporate actions (dividends, stock splits, mergers), and other events that may affect pricing and the availability of trading. You do not receive ownership rights, voting rights, or direct dividend payments on the underlying shares.

### 3.6 Commodities (Energies and Agricultural Products)

Commodity prices are influenced by supply and demand fundamentals, weather conditions, geopolitical events, OPEC decisions (for oil), storage levels, and seasonal factors. Commodity markets can experience sudden and dramatic price movements. CFDs on commodities such as oil (USOIL, UKOIL) and natural gas carry significant risk due to the volatility of underlying commodity markets.

---

## 4. MARGIN, LEVERAGE, AND LIQUIDATION RISKS

You are required to maintain sufficient margin in your account to support your open positions. If the equity in your account falls below the required margin level, you may receive a margin call requiring you to deposit additional funds. If you fail to meet a margin call, or if your account equity falls to the stop-out level, the Company may close some or all of your open positions without prior notice to limit further losses.

The forced liquidation of positions may occur at prices that are unfavourable to you, resulting in realised losses. The order in which positions are closed during stop-out is determined by the trading platform and may not be in the order you would prefer.

The Company reserves the right to change margin requirements, leverage levels, and stop-out levels at any time, including without prior notice in cases of extreme market conditions or regulatory requirements. Please refer to the Company's Leverage and Margin Policy for current margin requirements and stop-out levels.

---

## 5. NO GUARANTEE OF PROFIT

There is no guarantee that you will make a profit from CFD trading. Past performance of any trading strategy, system, or methodology is not necessarily indicative of future results. The Company does not provide investment advice, and any research, analysis, or commentary provided by the Company is for general information purposes only and does not constitute a personal recommendation or investment advice.

A significant proportion of retail investor accounts lose money when trading CFDs. You should not invest money that you cannot afford to lose.

**[COUNSEL TO REVIEW: Confirm whether a specific retail loss percentage disclosure is required by any applicable regulation. Many jurisdictions require a quantified loss statistic (e.g., "X% of retail investor accounts lose money when trading CFDs with this provider").]**

---

## 6. SUITABILITY WARNING

CFDs are complex financial instruments and come with a high risk of losing money rapidly due to leverage. You should consider whether you understand how CFDs work and whether you can afford to take the high risk of losing your money.

Before opening an account, you should carefully consider:

- Your level of experience with leveraged financial products and CFD trading
- Your financial situation and ability to bear potential losses
- Your investment objectives and risk tolerance
- Whether you understand the mechanics of margin trading, including margin calls and forced liquidation
- Whether you have access to independent professional financial advice

## DISCLOSURE OF TRADING RISKS

Effective Date: [TO BE CONFIRMED]

The Company's services are execution-only. The Company does not assess the suitability or appropriateness of its products for individual clients. It is your sole responsibility to assess whether CFD trading is appropriate for your circumstances.

**[COUNSEL TO REVIEW: Confirm whether the Company is required to conduct suitability or appropriateness assessments under any applicable regulation. Under MiFID II, for example, firms are generally required to assess the appropriateness of complex products for retail clients.]**

---

## 7. THIRD-PARTY RISKS

The Company's ability to provide services depends on the performance of third parties, including liquidity providers, payment processors, technology providers, and custodians. The Company shall not be liable for losses arising from the default, insolvency, or failure of any third party.

---

## 8. TAX IMPLICATIONS

The tax treatment of CFD trading profits and losses varies by jurisdiction and individual circumstances. The Company does not provide tax advice. You are responsible for determining and fulfilling your own tax obligations and should seek independent tax advice as appropriate.

---

## 9. CONFLICTS OF INTEREST

As a CFD provider, the Company may act as your counterparty to certain transactions. This means the Company's interests may, in some circumstances, conflict with your interests. The Company has policies and procedures in place to identify, manage, and mitigate conflicts of interest. For further information, please refer to the Company's Agreement to Open an Account.

**[COUNSEL TO REVIEW: Assess whether a standalone Conflicts of Interest Policy is required.]**

---

## 10. ACKNOWLEDGEMENT

By opening an account with the Company and trading CFDs, you acknowledge that you have read, understood, and accepted the risks described in this document. You confirm that you are aware that CFD trading involves a high level of risk and that you may lose some or all of your invested capital.

This Risk Disclosure should be read in conjunction with the Company's Agreement to Open an Account, Privacy Policy, Leverage and Margin Policy, and all other legal and regulatory documentation provided by the Company.

If you do not understand any aspect of this Risk Disclosure, please contact the Company at [compliance@noblefxm.com](mailto:compliance@noblefxm.com) before opening an account or placing any trades.