

# NobleFXM

## Negative Balance Protection

Effective Date: [TO BE CONFIRMED]

Version: DRAFT v1

Classification: Confidential

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

## NEGATIVE BALANCE PROTECTION

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### 1. INTRODUCTION

NobleFXM, Ltd ("the Company"), a Saint Lucia International Business Company (IBC) with registration number 2026-00159, provides this Negative Balance Protection Policy ("Policy") to describe the protections available to clients whose trading accounts may be affected by adverse market conditions.

This Policy should be read in conjunction with the Company's Agreement to Open an Account, Disclosure of Trading Risks, and Leverage and Margin Policy.

### 2. SCOPE OF PROTECTION

2.1 The Company provides Negative Balance Protection ("NBP") to eligible clients. NBP means that a client's account balance cannot fall below zero as a result of trading losses on CFD positions.

2.2 Eligible clients: [SPECIFY: "all retail clients" OR "all clients" OR "clients on specific account types"]. The Company may classify clients into different categories for the purposes of NBP eligibility.

[COUNSEL TO REVIEW: Confirm the scope of NBP eligibility. Some jurisdictions (e.g., EU/EEA under ESMA measures) mandate NBP for retail clients. Determine whether the Company offers NBP voluntarily or is required to do so under any applicable regulation.]

### 3. HOW NEGATIVE BALANCE PROTECTION WORKS

3.1 If, as a result of adverse market movements or the forced liquidation (stop-out) of open positions, a client's account equity falls below zero, the Company will reset the account balance to zero at no cost to the client.

3.2 The negative balance arising from trading losses will be absorbed by the Company. The client will not be required to deposit additional funds to cover the negative balance.

3.3 NBP operates on a per-account basis. Each trading account is assessed independently. A negative balance on one account does not affect the balance of any other account held by the same client.

3.4 The reset to zero typically occurs automatically. In the event that a negative balance persists due to a processing delay, the client should contact the Company at support@noblefxm.com, and the balance will be adjusted promptly.

### 4. EXCEPTIONS AND LIMITATIONS

Negative Balance Protection applies to losses arising from CFD trading activity. It does not apply to:

- Negative balances arising from non-trading debits, such as commissions, swap charges, inactivity fees, or other fees and charges owed to the Company
- Negative balances arising from fraudulent or abusive trading activity, including but not limited to: exploiting system errors, manipulating prices, using insider information, or any other activity in violation of the Company's Anti-Fraud Policy
- Negative balances arising from chargebacks, reversed deposits, or payment disputes initiated by the client or a payment provider
- Negative balances on accounts classified as professional or institutional, if such classification excludes NBP [SPECIFY: whether professional accounts are covered]

The Company reserves the right to investigate the circumstances of any negative balance before applying NBP. Where the Company determines that the negative balance resulted from excluded activities, NBP may not be applied, and the client may be required to restore the account to a non-negative balance.

[COUNSEL TO REVIEW: Confirm whether these exceptions are permissible under applicable regulations, particularly for jurisdictions that mandate NBP for retail clients.]

### 5. INTERACTION WITH MARGIN CALL AND STOP-OUT

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5.1 The Company's Leverage and Margin Policy establishes margin call and stop-out levels for all account types. When a client's margin level falls to the stop-out level, the Company's trading platforms will automatically begin closing the client's open positions to prevent further losses.

5.2 In normal market conditions, the stop-out mechanism is designed to close positions before the account balance reaches zero. However, in extreme market conditions (such as sudden price gaps, flash crashes, or periods of extreme volatility), the stop-out mechanism may not be able to close positions at the intended price, resulting in a negative balance.

5.3 NBP acts as a safety net in such scenarios. Where the stop-out mechanism is unable to prevent a negative balance, NBP ensures that the client's loss is limited to the funds deposited in the account.

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## 6. EXTRAORDINARY MARKET CONDITIONS

In the event of extraordinary market conditions, including but not limited to: extreme volatility, flash crashes, market-wide disruptions, liquidity crises, or events of force majeure, the Company will still honour its NBP commitment for eligible clients and eligible account types, subject to the exceptions set out in Section 4.

[COUNSEL TO REVIEW: Assess whether the Company should retain discretion to limit or withdraw NBP in extraordinary circumstances. Some regulators may prohibit discretionary exceptions to NBP for retail clients.]

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## 7. MULTIPLE ACCOUNTS

NBP is applied on a per-account basis. If a client holds multiple trading accounts with the Company, each account is treated independently for NBP purposes. A negative balance on one account will not be offset against a positive balance on another account.

[COUNSEL TO REVIEW: Confirm whether per-account NBP is required or whether per-client (aggregated) NBP is permissible under applicable regulations.]

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## 8. CLIENT RESPONSIBILITIES

While NBP provides a level of protection against losses exceeding deposited funds, clients are reminded that:

- NBP does not eliminate the risk of losing the entirety of deposited funds
- Clients are responsible for monitoring their open positions, margin levels, and account equity at all times
- Clients should not rely on NBP as a substitute for prudent risk management, including the use of stop-loss orders and appropriate position sizing
- Clients should read and understand the Disclosure of Trading Risks before engaging in CFD trading

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## 9. POLICY CHANGES

The Company reserves the right to modify this Policy at any time. Material changes will be communicated to clients via email or through the Company's website. Continued use of the Company's services after the effective date of any changes constitutes acceptance of the updated Policy.

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## 10. CONTACT

For questions about Negative Balance Protection, please contact the Company at support@noblefxm.com or compliance@noblefxm.com.