

## Prop Firm Rules Cheatsheet 2026

2-PHASE EVALUATION · \$100,000 ACCOUNT · FOREX / CFD FIRMS

Spot an error? Email: rules@passrate.io — we update quarterly.

Firm	Ph1 Target	Ph2 Target	Daily Loss	Max DD	DD Type	Consistency Rule	Min Days
<b>FTMO</b>	10%	5%	5%	10%	Static	Yes — 50% max of total profit	4 days
<b>Funding Pips</b>	8%	5%	5%	10%	Static	No	3 days
<b>The5ers (High Stakes)</b>	8%	5%	5%	10%	Static	No	3 prof. days
<b>FundedNext (Stellar)</b>	10%	5%	5%	10%	Static	No	No min
<b>MyFundedFX (2-Step)</b>	10%	5%	5%	10%	Static	50% max per day	Prof. days req.
<b>Blue Guardian</b>	8%	5%	5%	10%	Static	No	5 days
<b>Alpha Capital (Alpha Two)</b>	8%	5%	5%	8%	Static	No	3 days
<b>BrightFunded</b>	8%	5%	5%	10%	Static (EOD HWM)	No	5 days

KEY: ■ **Trader-friendly** ■ **Caution / stricter** ■ **Tightest / risk** ■ **Neutral**

### IMPORTANT CAVEAT:

Rules shown are for standard 2-phase \$100K accounts only. 1-phase, different account sizes, and special programmes have different rules. Rules change without notice. Always verify on each firm's official website before purchasing. This cheatsheet is a guide only, not financial advice.

### 01 Daily Loss Limit (5%)

Calculated from midnight balance each day. Includes BOTH closed P&L and floating (open) P&L. Two open trades each down 2% = 4% daily loss used — even without closing anything. The most common reason for challenge failure (over 60% of FTMO breaches per their own statistics).

### 02 Static vs Trailing Drawdown

Static: Hard floor fixed at 90% of starting balance — buffer GROWS as you profit. Most forex firms use static. Trailing: Floor moves UP as balance grows — buffer SHRINKS as you succeed. BrightFunded uses EOD high-water mark: daily limit based on previous day's closing equity. Always check the type before buying.

### 03 FTMO Consistency Rule — Unique to FTMO

No single day's profit can exceed 50% of total profit at evaluation. Example: \$8,000 total means your best day cannot have exceeded \$4,000. Many traders make a great early day then are disqualified at the end-of-challenge review. No other firm in this cheatsheet uses this rule in 2026.

### 04 1-Phase vs 2-Phase: Key Differences

2-Phase (shown above): Phase 1 target 8-10%, Phase 2 5%. Wider drawdown buffers, more time. Better for most traders. 1-Phase: Higher single target (often 10-20%) but TIGHTER daily loss — FTMO 1-step uses 3% daily vs 5% on 2-step. Faster in theory, statistically harder. BrightFunded only offers 2-phase in 2026.

### 05 Account Size: Does It Change the Rules?

Percentages stay the same across all sizes — only dollar amounts change. \$10K: \$500 daily limit. \$100K: \$5,000. \$200K: \$10,000. Choose a size where your normal position sizing can hit the profit target without breaching the daily limit in a bad session.

### 06 Top 5 Failure Reasons

1. Floating P&L not tracked — open losses count toward daily limit
2. News event spike — 3-5x volatility hits limit before you react
3. FTMO consistency rule — great early day limits every future day
4. Drawdown from PEAK — \$108K peak with 10% rule = \$90K floor
5. Overtrading in final days to chase target — biggest risk spike

# Prop Firm Challenge: Survival Guide

12 things every trader should know before starting — from someone who failed twice

## 01 Daily loss includes floating P&L

Unrealised losses on open positions count toward your daily limit. Two trades at -2% each = 4% daily loss used before closing either. Most traders learn this the hard way on their first challenge.

## 03 Trade fewer correlated pairs

EUR/USD and GBP/USD both move on USD news. Two -2% positions become -4% instantly. Pick one direction on one pair per session rather than two correlated ones simultaneously.

## 05 Drawdown is measured from PEAK equity

Grow to \$108K then fall to \$97K on a \$100K start = \$11K drawdown from peak (11%). Not \$3K. The floor is fixed at \$90K regardless of how high you climbed before the fall.

## 07 Minimum trading days cannot be rushed

FTMO requires 4 trading days minimum. BrightFunded and The5ers require 5. Hitting the profit target on day 2 does not mean you pass — keep trading carefully to the minimum.

## 09 Weekend gaps can breach drawdown

Positions held over Friday close are subject to Monday open gaps. A gap against you can instantly breach limits before you can react. Consider closing all positions before the weekend.

## 11 Scale position size to days and target remaining

10 days left, 60% of target to go? Calculate the maximum size that can hit the target while keeping each individual day under the daily loss limit. Do the maths — do not improvise.

## 02 The FTMO consistency trap (FTMO only)

If you profit \$4K on day 3, no other single day can exceed \$2K at evaluation. Great early days permanently limit every future day. Only FTMO enforces this rule in 2026.

## 04 News events cause most daily limit breaches

NFP, CPI, rate decisions cause 3-5x normal volatility. A 10-pip stop becomes 50 pips of slippage. Close or flatten positions 30 minutes before major news releases.

## 06 BrightFunded rollover window — easy to miss

BrightFunded prohibits open positions between 11:30 PM and 11:59 PM CET every day. Holding through this window is an automatic breach. Set a daily reminder if trading this firm.

## 08 Stop trading when near the daily limit

At 4% daily loss used on a 5% limit you have \$1,000 remaining on a \$100K account. With most strategies that is one trade maximum. The rational move is to stop for the day.

## 10 1-phase is faster but statistically harder

FTMO 1-Step has only 3% daily loss vs 5% on 2-step but the same 10% profit target. You have 3.3x less daily loss room per unit of required profit. Most experienced traders prefer 2-phase.

## 12 Practise under real psychological pressure first

Paper trading does not replicate the feeling of a hard limit counting down with real money at stake. Get the psychological reps in before spending £500 on the real thing. [passrate.io/waitlist](https://passrate.io/waitlist)