

Template: Proprietary Trading Firms Checklist

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Based on Article: "Proprietary Trading Firms"

Website: <https://thetraderinyou.com>

A practical checklist for traders interested in proprietary trading firms to evaluate options and prepare for success.

Checklist Items:

1. Research Proprietary Trading Firms

Identify and list several proprietary trading firms that offer capital and support for serious trading. Consider their reputation, feedback from current or past traders, and the services they offer.

Reference Section: What are Proprietary Trading Firms?

2. Evaluate Funding Models

Compare different funding models (in-house, remote-funded, hybrid) to find out which aligns best with your trading style and financial goals.

Reference Section: Funding Models, Payouts, and Economics

3. Understand Evaluation Process

Familiarize yourself with the evaluation stages, including registration, challenge phase, and verification. Understand what metrics are tested and what the expectations are for each step.

Reference Section: How Proprietary Funding and Evaluation Works

4. Assess Risk Management Rules

Review the risk management policies of each firm regarding maximum drawdown, position sizing, and daily loss limits. Ensure you are comfortable with these limits.

Reference Section: Risk Management, Rules, and Trader Responsibilities

5. Check Payout Structures

Analyze the payout structure of each firm to determine how profits are shared. Look for tiers or performance-based splits that can increase your earnings as you succeed.

Reference Section: Funding Models, Payouts, and Economics

6. Consider Training Resources

Find firms that provide additional training, mentorship, or tools for strategy development. These resources can enhance your trading skills and increase your chances of success.

Reference Section: Common Features and Incentives

7. Prepare for Application Process

Gather necessary documents and prepare for potential interviews. Research common interview questions for traders and prepare your trading history and approach.

Reference Section: Application and Interview Tips for Traders

8. Avoid Common Pitfalls

Educate yourself about common pitfalls associated with proprietary trading firms, such as hidden fees or unrealistic performance targets, and develop strategies to mitigate these risks.

Reference Section: Common Pitfalls and How to Avoid Them

9. Understand Regulatory Considerations

Review the legal implications and tax considerations regarding trading through a proprietary firm. Ensure compliance to avoid future issues.

Reference Section: Regulation, Legal Considerations, and Tax Implications

10. Outline a Next Step Action Plan

Create a specific action plan outlining your next steps based on your research, evaluation, and personal goals in trading at a proprietary firm.

Reference Section: Next Steps, Resources, and Sample Action Plan