FREE CHECKLIST

The Drawdown Checklist

The 8 rules that decide whether you keep a funded account

Most traders pick a firm on price and account size. That is exactly how good traders get disqualified over a rule they never read. Work through these eight before you pay any challenge fee. Each one tells you what a good answer actually looks like.

1. Is the drawdown static or trailing?

Static means your floor is fixed from your starting balance and never moves. Trailing means it climbs as you profit, shrinking your buffer exactly when you are doing well.

> On a $10,000 account with a 10% limit, a session that spikes $500 in your favour and closes at $200 profit costs you nothing under static, roughly $200 under end-of-day trailing, and $450 under intraday trailing. Same trade, three different outcomes.

GOOD Static, fixed from the starting balance
CHECK End-of-day trailing
AVOID Intraday or tick-by-tick trailing

2. Does the floor ever stop trailing?

Almost nobody checks this. Some firms freeze the floor once you reach a set profit, so it stops eating your buffer. Others trail for the life of the account.

GOOD Locks at your starting balance or better
AVOID Trails indefinitely with no lock point

3. How is the daily loss limit calculated, and when does it reset?

Two separate questions. Is it measured on your closing balance, or on live equity including floating profit and loss? And what time does it reset in your timezone, not the firm's?

GOOD Balance-based, with the reset time published clearly
AVOID Equity-based including floating positions, or a reset time stated nowhere

4. Is there a consistency rule?

Caps how much of your total profit may come from your single best day. Common thresholds are 25%, 30%, 40% and 50%. At a 25% cap you mathematically need at least four profitable days to pass.

GOOD No consistency rule at all
CHECK 40% to 50% threshold
AVOID 25% to 30% threshold

5. Can you trade the news?

If news trading is part of your edge, a restriction here kills your strategy before you place a single trade.

GOOD Allowed with no restricted window
CHECK Restricted a few minutes either side of high-impact releases
AVOID Banned outright, or a breach voids the account

6. What is the actual profit split?

The 2026 range is 80% to 90%, and 90/10 is becoming the baseline rather than the prize. One caveat: a 90% split from a firm that pays late is worth less than 80% from one that always pays. Check payout proof, not just the headline number.

GOOD 90% or above
CHECK 80% to 85%
AVOID Below 75%, which is behind the market

7. Is there an inactivity rule?

Some accounts deactivate silently after a set period with no trades, and you find out only when you try to log in.

GOOD 30 days or more, published, with reactivation possible
AVOID Under 30 days, or not published anywhere

8. Is the scaling plan actually published?

Vague scaling terms usually mean the firm decides case by case. Published terms mean you know exactly what growing your account looks like.

GOOD Written thresholds and timelines you can read before you pay
AVOID "At the firm's discretion"

WORKSHEET

Compare three firms side by side

Fill this in before you look at a single price.

Question	Firm 1	Firm 2	Firm 3
1. Drawdown type			
2. Does the floor stop trailing?			
3. Daily loss basis and reset time			
4. Consistency rule			
5. News trading			
6. Profit split			
7. Inactivity rule			
8. Scaling plan published?			
Challenge fee			

The one thing most people get wrong

Traders compare fees first and rules last. The fee is the smallest number in the whole decision. A $50 difference in challenge cost is irrelevant next to a drawdown model that ends your account in week two. Fill in the grid above before you compare a single price.

Who put this together

HELYON passes prop firm challenges on behalf of traders. We read these rulebooks for a living because our own results depend on getting them right. This is the same checklist we use internally before we take on any firm.

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Notes