

FundingPips 2-Step Evaluation Terms of Use

1. It's All About Discipline And Consistency.

No need to rush, you don't build a life in a day. There is plenty of time to pass the evaluation successfully, being dynamic is crucial.

2. Trading Behaviour and Rules

We offer a FundingPips Evaluation course which is based on two phases, student and practitioner, which you need to pass to become a Master trader aka funded trader. It's crucial that you have a dynamic trading system & risk management profile to pass the evaluation course. After you reach your profit target in Phase 2, your entire evaluation period will be manually reviewed by our Risk Team. This review process will be completed within two working days.

In the event of a breach of any of the rules referred to in this section, all positions on the platform shall be closed immediately, the Customer's Account will be closed and the right to any reward will be revoked.

2.1. The Student Phase (Phase I)

The student phase is to test your trading skills while defining yourself as a trader. During the student phase, you must achieve a profit target of 8% or 10% without breaching any other rule and have 3 minimum trading days.

2.2. The Practitioner Phase (Phase II)

The practitioner phase is just to confirm the results and outcomes of the student phase. During the practitioner phase, you must achieve a profit target of 5% without breaching any other rule and have 3 minimum trading days.

2.3. 5% Maximum Daily Loss Limit

The Maximum Daily Loss is the amount the trader is allowed to lose every day. For the purpose of this rule, the higher value between equity and balance will be used. This rule is set to 5% of the starting equity or balance every day. The rule states that the equity of the day, which is the result of the currently floating PnL (Profit and Loss) in sum with all closed positions of that day, must not hit the Maximum Daily Loss Limit. The daily maximum loss resets at 00:00 CE(S)T/server every day.

2.4. 10% Maximum Loss Limit

The Maximum Loss Limit is the amount the equity or balance can't go below. This rule is set to 10% of the initial account size. For example, if the trader has a \$100,000 account and the Maximum Loss Limit is 10%, the equity or balance can't go below \$90,000 at any moment.

2.5. On this Evaluation you are allowed to hold trades during news and over the weekend

2.5.1. During the Evaluation (Student and Practitioner)

You are allowed to hold trades over the weekend and trade during the news in the evaluation stage.

2.5.2. During the Funded (Master only)

You are allowed to hold trades during news and over the weekend. Profit from trades that are opened or closed 5 minutes prior to and after high impact news events and/or speeches on the affected currency will not be counted on the Master account UNLESS the trade was executed 5 hours prior to the news event*. This restriction applies to all forms of trade execution, such as manual, pending, stop loss and take profit orders. During news speeches, the prohibited window will extend 5 minutes prior to the speech until 5 minutes after the speech has been finished. News event trading will result in the deduction of any profits made from trades executed within the restricted 10-minute window.

Our system will automatically close the affected trades that are opened within the prohibited time window. We use [Forex Factory](#) as our news calendar source. In the event any deductions result in the breach of the daily loss limit or maximum loss limit, the trader is responsible for the violation. Read more about news trading in our FAQ "[Can I hold trades during news and over the weekend?](#)".

***Note:** To help swing traders while preventing news gamblers, trades that are opened 5 hours prior to a high impact news event are excluded and allowed to close within the prohibited time window. The profits of these trades will be counted.

We do not support purposely trading news and it will lead to a termination.

2.6. Trading Strategy

Trade the way you want. Use an "EA", hold during news, hold trades over the weekend and trade lot sizes as big as the leverage allows for as long as it is not: Gap trading, high frequency trading, server spamming, latency arbitrage, toxic trading flow, hedging, long short arbitrage, reverse arbitrage, tick scalping, server execution, opposite account trading, which are all prohibited. Also, copy trading with others or account management by a third-party vendor is prohibited. Such activities with Funding Pips will result in account termination. Keep in mind that using a third-party Expert Advisor is allowed as long as it is a trade or risk manager. Using any other third-party Expert Advisor is not allowed. **This will lead to a denial of the evaluation or reward and closure of the account.**

3. Toxic Trading Flow (Responsible Trading Rules)

Toxic Trading is defined as reckless risk-taking, impulsive behavior, and a disregard for fundamental principles. The threat of toxic trading jeopardizes not only individual trader accounts but also the stability of proprietary trading firms. We will shed light on toxic trading, defining its various manifestations and underscoring the imperative for vigilance and responsibility in the pursuit of profitable trading strategies.

Toxic trading encompasses a variety of behaviors and practices, with some common characteristics including the following:

Excessive Risk-Taking (Over-Leveraging)

Participating in trades with disproportionately high levels of risk in relation to the trader's capital or risk tolerance. This often involves utilizing excessive leverage causing overexposure or full margin, which can magnify both gains and losses. Additionally, for the 2-Step Master accounts only, executing excessive amounts of lots relative to the account size exceeding the Maximum Lot Exposure Limit. See "[What is the Maximum Lot Exposure Limit? \(2-Step Master account only\)](#)" to read more.

Maximum Lot Exposure Limit per account size (2-Step Master accounts only)

\$25,000 is max 10 lots

\$50,000 is max 20 lots

\$100,000 is max 40 lots

There is no limit applied on the 5,000 and 10,000 2-Step Master accounts.

If the trades are closed, you are allowed to open new trades on the same day. The Maximum Lot Exposure Limit is only for the open trades, it is NOT a daily limit.

If you exceed this limit, all the profits from trades that were opened and were ABOVE the limit will be deducted from the account. In the event any deductions result in the breach of the daily loss limit or maximum loss limit, the trader is responsible for the violation.

The first time we detect that the lot exposure limit was exceeded will result in a warning. The second time will result in a closure of the account, profit deduction and 30% performance commission, plus all the profits from trades that were opened and were ABOVE the limit will be deducted from the account.

Gambling Behavior

Trading is driven by emotions rather than rational analysis, similar to gambling. Traders may pursue losses, make impulsive trades, or display addictive tendencies, leading to negative trading outcomes. Your biggest loss should not exceed 3% of the account size on the Master accounts only. Splitting up a trade into multiple positions will be counted as one single trade on any of our accounts.

Overtrading

Continuously entering and exiting trades without a clear strategy or rationale, resulting in diminished profitability and emotional exhaustion.

High-Frequency Trading (HFT) & Tick Scalping

Engaging in excessive and rapid trading activities indicative of higher volatility, which may result in significant losses.

Arbitrage

All forms of arbitrage are considered toxic due to the lack of a clear underlying idea, strategy, or rationale. Below are two common arbitrage strategies:

- Hedge Arbitrage: Simultaneously entering opposing positions with different firms.
- Latency Arbitrage: Exploiting disparities in trade execution times across various trading platforms or venues. Traders using this strategy seek to profit from minor price differences resulting from delays in order processing or data feed.

Poor Money Management

Traders who frequently encounter margin calls due to inadequate funds or risky positions may indicate a lack of risk management, posing a threat to their accounts and potentially the firm's stability.

Behavioral Patterns

Inconsistent behaviors, such as trading during non-liquid market hours to exploit liquidity shortages, consistently disregarding risk management principles, or making emotional decisions.

Reverse Trading

Signs and behavior, which includes risking the full daily loss on one trade, which often indicates reverse trading between different firms.

Traders suspected of engaging in such behaviors may be subjected to various restrictions including but not limited to reducing leverage, limiting the number of trades per day, lot size limit per day, lower daily/max loss limiting the risk per trade, imposing a maximum 1% risk limit rule or even being banned from the firm. Our goal as an Evaluation firm is to assist you becoming a better trader and risk manager, while also benefiting from the trading flow you provide. This evaluation aims to gather the best trading data possible, enabling us to monetize our data more efficiently, enhancing our stability, and strengthening the industry as a whole.

4. Trading Instruments

4.1. Tradable instrument and commission

You can trade Forex, Crypto, Indices, Metals & Energies with RAW spreads and a

5\$ commission per standard lot round turn. Crypto is 0.04%, Indices and Oil are commission free.

4.2. Leverage

The leverage that will be applied on all accounts in the 2-Step model is:

Forex: 1:100

Metals: 1:30

Indices: 1:20

Energies: 1:10

Crypto: 1:2

5. Account Credentials

Once the evaluation program is purchased the trader will receive the login credentials immediately, changing the account credentials is prohibited under any circumstances, if a trader changes the credentials the account will be suspended. FundingPips is constantly looking for skillful traders to grow with over the long run, YOUR IDEAS OUR RISK. A trader cannot use signal bots, trade management services, or trade copiers. FundingPips' software is constantly monitoring the activities of traders, and a breach of any rule will result in account suspension.

6. Rewards

6.1. Reward cycle and reward split

A Trader is eligible to request a reward based on the chosen reward cycle when receiving the Master account. This can be Tuesday Payday, Bi-Weekly, or Monthly, with a reward split up to 100%.

The different reward cycles have the following reward split applied:

Tuesday Payday with a 60% reward split

A trader is eligible to request a reward every Tuesday. A 60% reward split will be applied.

- Master accounts started on Monday can be requested on Tuesday (the next day).
- Master accounts started on Tuesday can be requested on Tuesday (same day).
- Master accounts started on Wednesday can be requested on Tuesday (after 4 trading days).
- Master accounts started on Thursday can be requested on Tuesday (after 3 trading days).
- Master accounts started on Friday can be requested on Tuesday (after 2 trading days).

This means that the reward schedule can range from the same day to 4 trading days.

Bi-weekly reward with an 80% reward split

A trader can request a bi-weekly reward every 14 calendar days after the first executed trade on the Master account with an 80% reward split applied.

Monthly with a 100% reward split

A trader can request a monthly reward every 30 calendar days after the first executed trade on the Master account with a 100% reward split applied.

6.2 On-Demand Rewards + 100% reward split

Once a trader earns a [Hot Seat](#) in our firm, the trader receives On-Demand rewards with a 100% reward split applied. More can be read in our FAQ "[What is the Hot Seat program?](#)"

Note: Transfers are subject to exchange rates and transaction fees. The minimum amount for a reward is 1% of the initial balance including our split.

7. Scaling Up

If the trader proves to be skillful, then a competitive scaling plan is the least we can offer to show appreciation.

7.1 Scaling Plan

7.1.1. Launchpad (Level 1)

You'll begin as a Novice Trader. Successfully completing this stage with four rewards and 10% total profit will mark your entry into our program with a 20% scale-up.

- Maximum drawdown increased by 1%

7.1.2. Ascender (Level 2)

As an Intermediate Trader, which you achieve after eight successful rewards with a total profit of 20%, you'll receive a 30% increase in your initial capital.

- Maximum drawdown increased by 1%, totaling a 2% increase.
- Daily drawdown increased by 1%

7.1.3. Trailblazer (Level 3)

Upon reaching Advanced Trader status after twelve rewards with a total profit of 30%, your capital allocation will increase by 40%. This recognizes your growing expertise and trading acumen.

- Maximum drawdown increased by 1%, totaling a 3% increase.

7.1.4. Hot Seat

After sixteen rewards with a total profit of 40%, you'll ascend to the pinnacle as an Elite Trader. This exclusive status offers an array of premium benefits: double the initial balance.

Personal support & access to Advance Trading Tools - Research

- Access to on-demand rewards for financial flexibility.
- A remarkable 100% reward split ensures your hard-earned profits stay with you.
- Potential access to up to \$2 million in capital to supercharge your trading.
- Customized trading conditions tailored precisely to your unique trading strategy.
- Maximum drawdown increased by 1%, totaling a 4% increase.
- Daily drawdown increased by 1%, totaling a 2% increase.

Monthly bonuses

We provide monthly bonuses once you reach the Hot Seat based on the initial account size.

- \$100 for a 5K account
- \$200 for a 10K account
- \$300 for a 25K account
- \$400 for a 50K account
- \$500 for a 100K account

Note: The scale-up is always based on the initial account size. Also, if an account is merged, it will be based on the initial account, not the merged account size.

Risk-Based Capital Allocation: Allocate capital based on a trader's risk-adjusted performance. Traders who demonstrate better risk-adjusted returns receive more capital, regardless of their trading history.

8. Merging Accounts

The first trading account you will manage will be the size you signed up for, this could be \$25,000, \$50,000 or \$10,000. You can trade up to \$300,000 combined.

The Master/Funded accounts can be combined into one account or you can keep it separately after passing the evaluation stage, it's up to your own preference. The Master accounts have to be from the same evaluation model to merge:

- 2 Step Master accounts can only be merged with 2 Step Master accounts (also with the previously known Standard Model).

To merge the Master/Funded accounts into one account, you must send support@fundingpips.com an email or open a ticket through the helpdesk so the team can merge the account.

9. Refunds

All traders who pass the Evaluation will receive a refund of their fees along with their 4th reward.

10. Inactivity

Any trading account inactive for 30 days will be automatically suspended.

11. IP Address

You are free to travel and access your FundingPips account from anywhere. Using the same IP address is not a necessity. However, for the integrity of our platform, we do monitor IP activity to ensure that any changes follow a consistent and realistic pattern

If our Team detects an unrealistic change in your IP activity, they may reach out to you for verification purposes. In such cases, you may be asked to provide supporting documentation to confirm your location. Acceptable forms of proof may include:

- A plane ticket or boarding pass indicating your travel details.
- A passport stamp showing entry into the new region.
- A live video demonstrating your presence at the new location.

This verification process is designed to safeguard your account and ensure that only authorized individuals have access.