GrandCapital
YOUR BROKER SINCE 2006

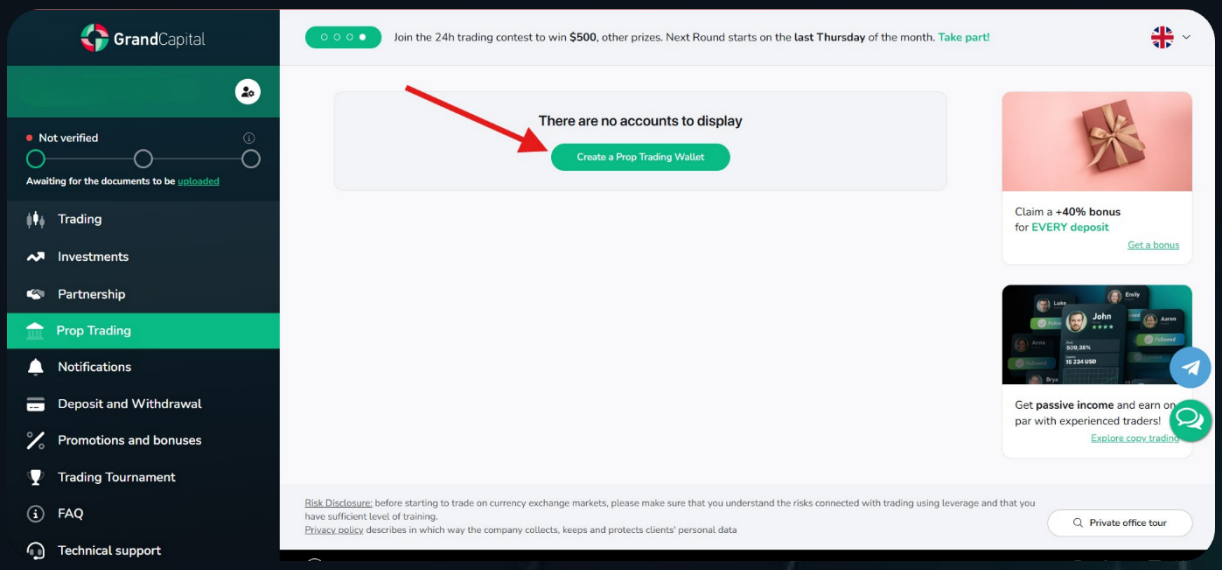
Guide to Using the Prop Trading Service

GrandCapital Ltd., 2023

Prop trading is a model of trading in financial markets in which a trader uses capital provided by a prop trading firm to execute trades and receives a share of the profits for successful results. Unlike traditional trading with one's own funds, prop trading firms provide access to financing, risk management tools, and established trading rules.

To participate in prop trading, log in to your Grand Capital **Private Office** and navigate to the **"Prop Trading"** section in the side menu on the left.

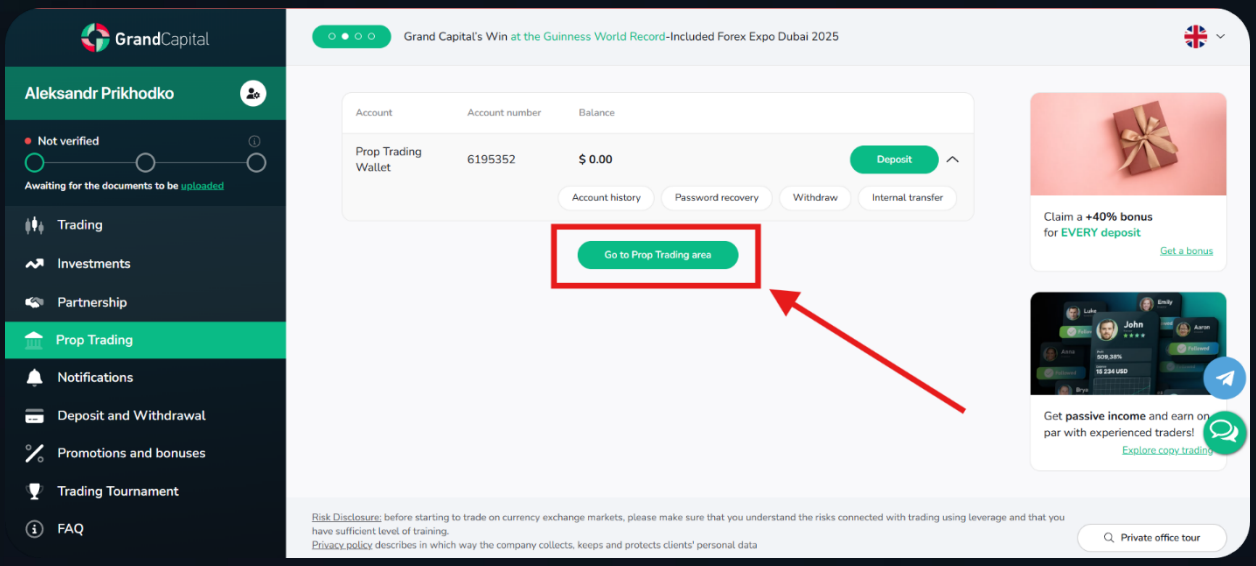
On the page that opens, click the **"Create a Prop Trading Wallet"** button **to open a wallet**.



After you create a wallet, a **"Prop Trading Wallet"** will appear in your **Private Office**.

The **Prop Trading Wallet** allows you to work with prop trading programs and manage all financial transactions within the platform. Through the **Prop Trading Wallet**, you can deposit and withdraw funds, purchase challenges, receive profit-sharing payments, and get a refund for the cost of a challenge.

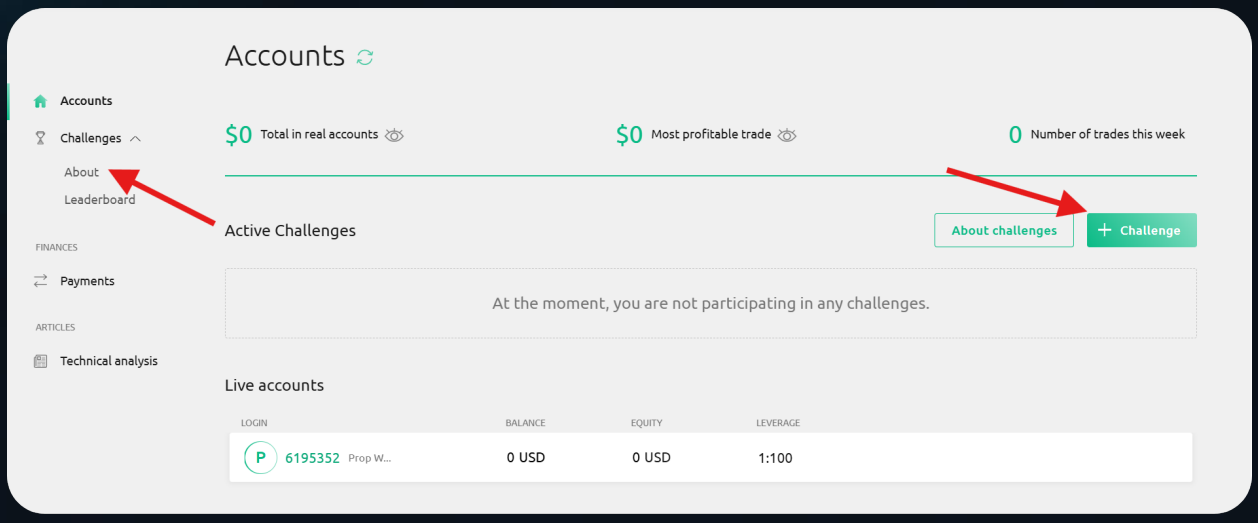
To proceed to the challenge selection and continue with the program, click the "**Go to Prop Trading area**" button.



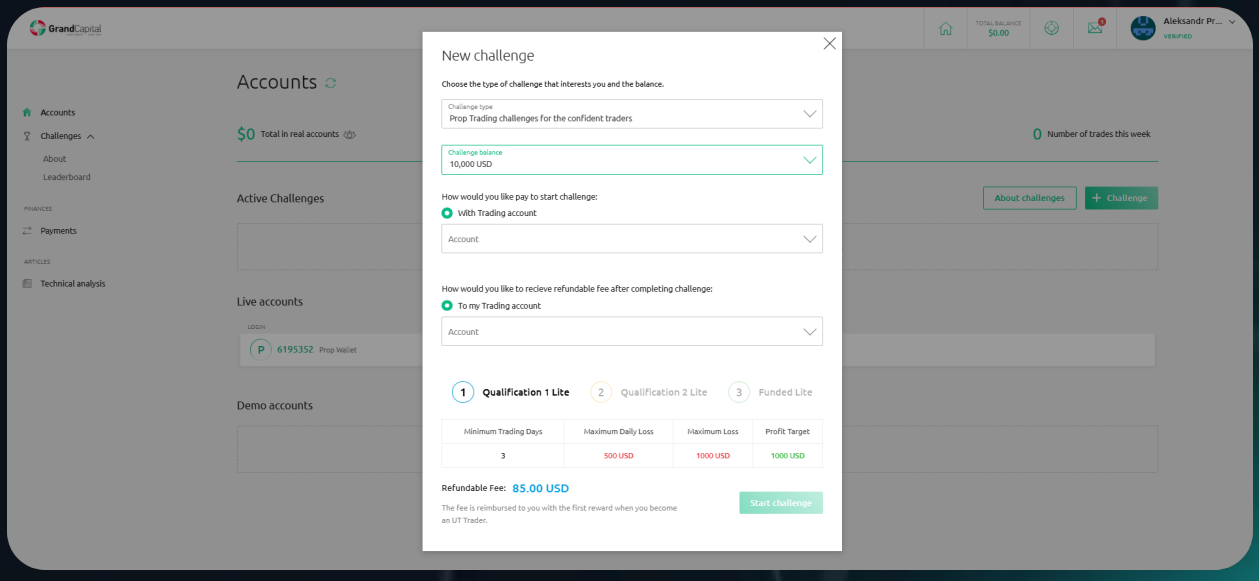
Creating a New Challenge and Linking It to a Trading Account

To participate in the Prop Trading Challenge program, you must create a new challenge through your Personal Account and gain access to a trading account. The process takes just a few minutes and consists of several consecutive steps.

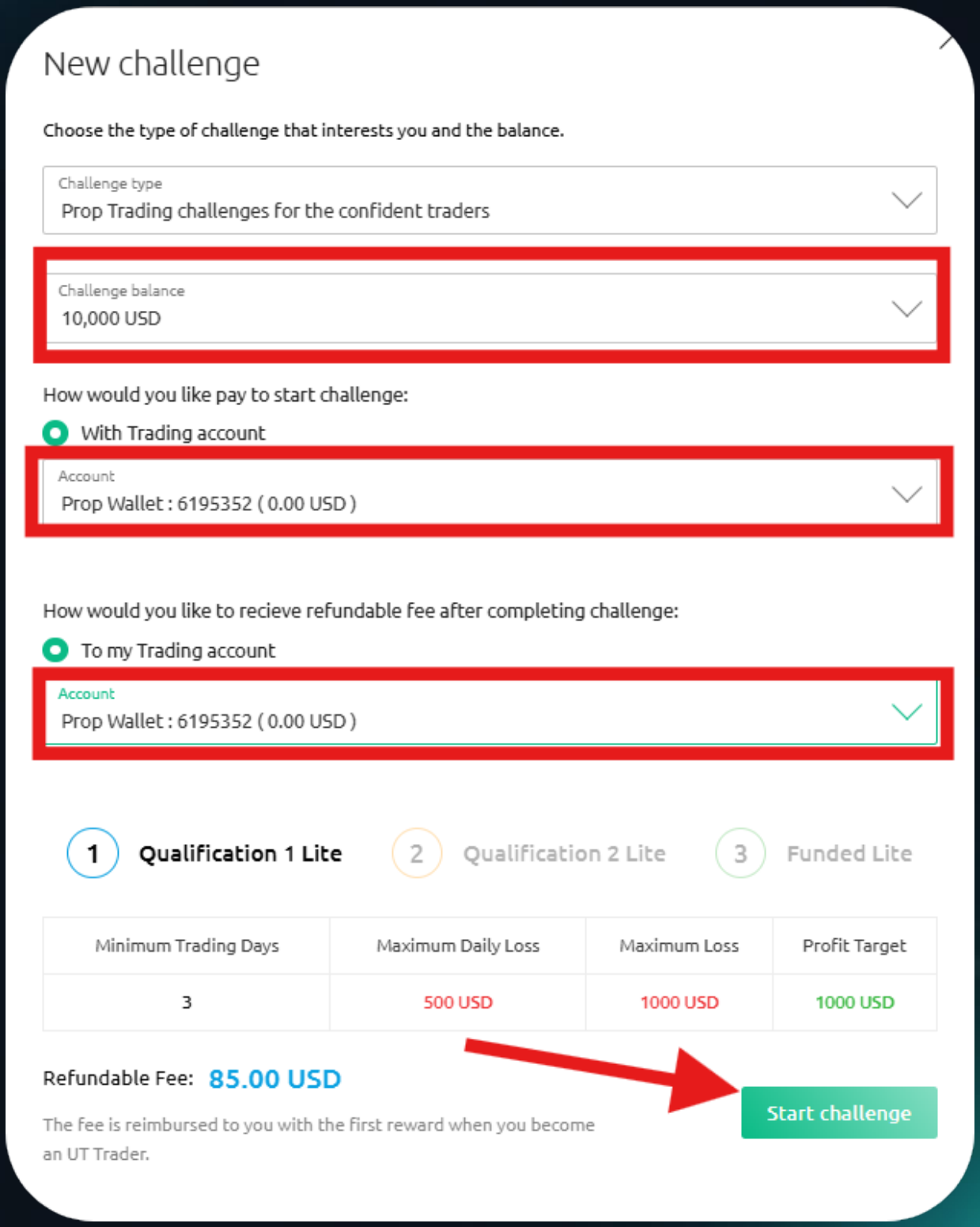
Go to the “Challenges” section in the left-hand menu of your Personal Account. The page will display the available programs and capital options. Select the appropriate account size and click the “Challenge” button to proceed to setting up a new challenge.



In the window that opens, you must select your participation settings.
Specify the challenge type, the amount of capital, and the account from which the registration fee will be paid.
You will also need to select the account to which the challenge fee will be refunded after you successfully complete the program.
Below, you'll see the main trading conditions for the selected challenge, including the minimum number of trading days, the allowable daily loss, the maximum drawdown, and the target profit level.



Before starting, we recommend that you carefully review these parameters, as compliance with them is essential for successfully completing the program.

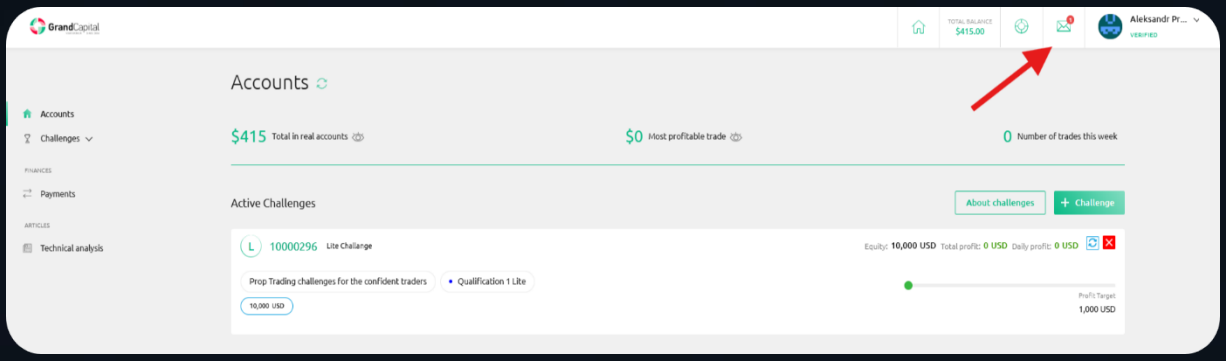


After verifying all the information, click the **“Start challenge”** button. The system will automatically create a new trading account and register it in the selected **program**.

Once the account has been successfully created, a “New account created” notification will appear on the screen, and information about the new challenge will be available in the **“Active Challenges**.”

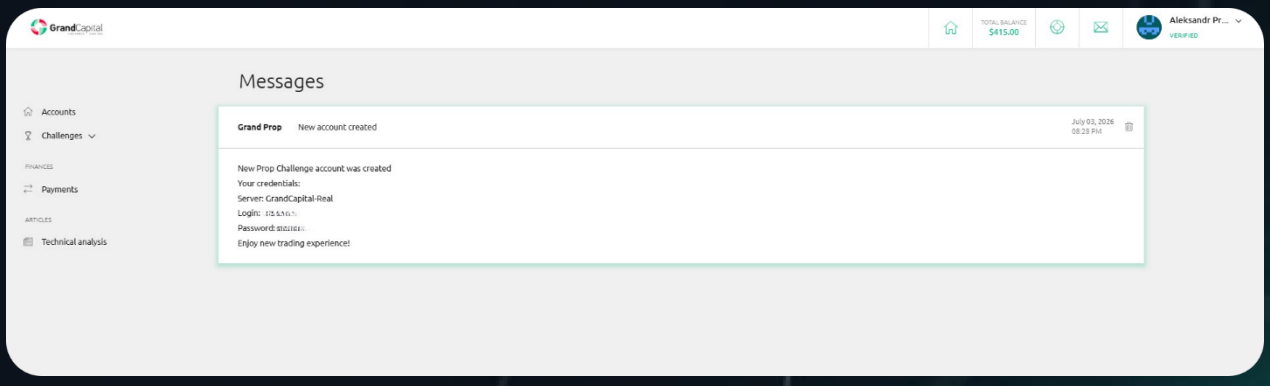
Here you can track your progress, current trading results, and the achievement of your targets.

Immediately after you create an account, the system will send your login credentials to the “Messages” section of your Personal Account. To view the notification, click the envelope icon at the top of the page.



The message will contain all the information needed to connect to a trading account:

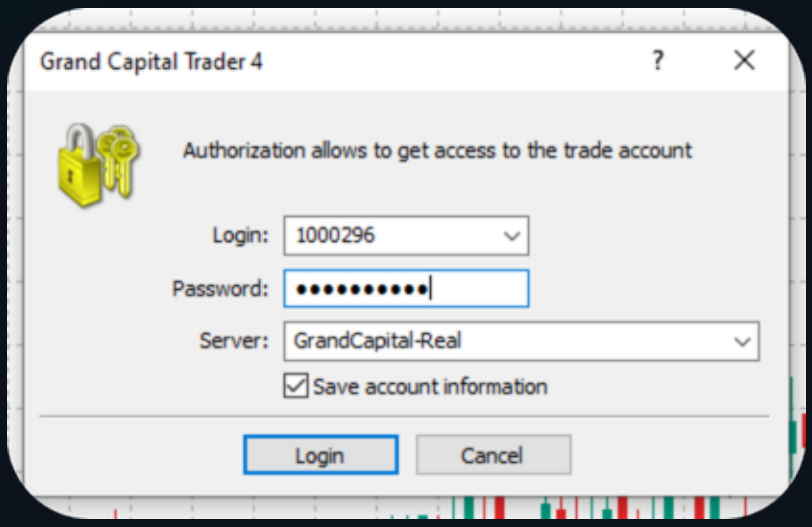
Login, password and trading server.
This information is generated automatically and is unique to each challenge created.



After receiving the login credentials for your account, you must log in to the trading platform. **The MetaTrader 4 (MT4)** and **WebTrader** platforms are used to complete the challenges.

To log in to the **MT4 trading platform**, open the terminal and select the option to connect to an existing trading account. Enter the username, password, and server name specified in the notification you received, then click the “**Login”** button.

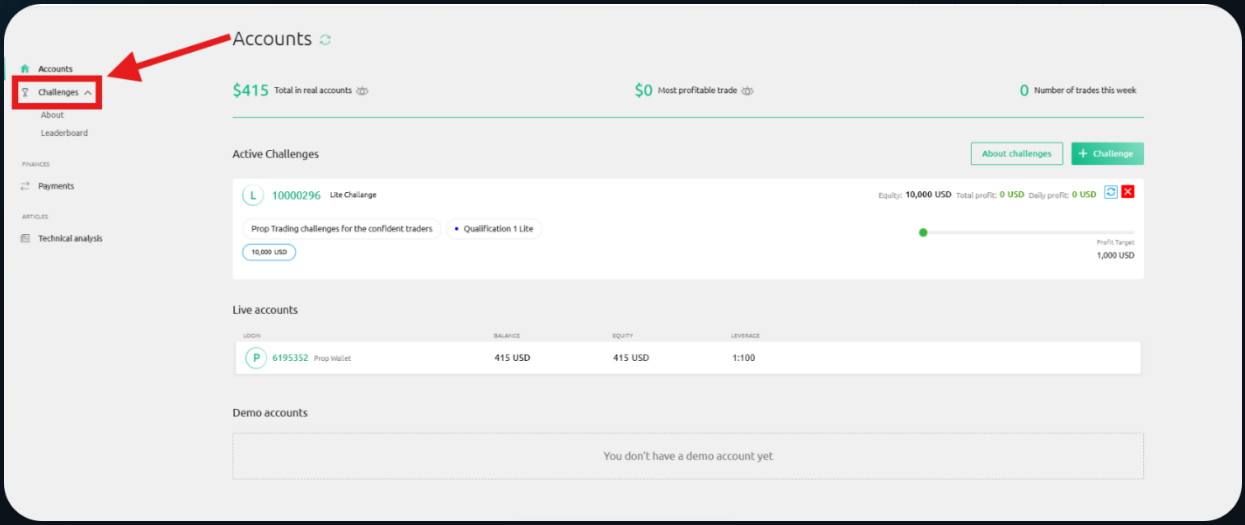
If the information is entered correctly, the terminal will connect to the trading server.



Please note that trading activities, fulfillment of the program's requirements, and the subsequent evaluation of results are conducted exclusively through the account created for the challenge. The use of other trading accounts will not be taken into account for the purposes of the program. We recommend that you save your login credentials and verify that you are successfully logged into your account before you begin trading.

After logging into MT4, you can begin trading and fulfilling the requirements of your selected challenge.

To learn more about the available prop trading programs, go to the **"Challenges"** section in the side menu of your personal account. In this section, you can select the size of your trading account, view the program stages, and review key information about each challenge.



As part of the prop trading program, users have access to various participation options, which differ in the amount of trading capital provided, the requirements for completing each stage, and the compensation terms. The current participation options, their parameters, and costs are displayed in your personal account when you select a challenge.

Each challenge consists of sequential stages designed to assess a trader's skills. To successfully complete the program, you must meet the established requirements for risk management and achieving trading goals. After fulfilling the conditions of all stages, the trader gains access to a funded account.

The participation fee and completion requirements depend on the selected challenge format. Detailed information on each option is available in the program interface before you begin participating.

Challenge parameters, participation rules, trading requirements, and other program terms are subject to change. Before beginning the program, we recommend reviewing the latest information available in your personal account.

Example of Program Completion

Let's say you purchased a challenge with an account balance of 50,000 USD.

Once activated, you gain access to the first assessment stage. To successfully complete it, you must generate a profit of 5,000 USD. It is important to adhere to the established limits: the maximum daily loss cannot exceed 2,500 USD, and the total loss on the account cannot exceed 5,000 USD. In addition, you must execute trades for at least 3 trading days. You have up to 100 trading days to meet these conditions.

Once you've reached the profit target and met all requirements, you automatically advance to the second stage. The risk limits remain the same.

However, the target profit is reduced to 2,500 USD. No additional payment is required to advance to the second stage.

Upon successful completion of the second stage, you gain access to real funds for management. At this stage, the profit targets and risk limits specified in the program's terms and conditions also apply. However, there is no limit on the maximum trading duration, allowing you to work at a pace that is comfortable for you.

For example, if the program terms stipulate a 75% profit split in favor of the trader, then if you earn 1,000 USD, you will receive 750 USD, and the remaining 250 USD will go to the company.

In some programs, after gaining access to real funds, the cost of the purchased challenge is also refunded to the trader in accordance with the program terms.

The first reward payment is made after the target result is achieved in the final stage of the challenge, simultaneously with the refund of the challenge's cost. The payment is made no earlier than 3 days after trading begins on the funded account, provided the target result has been achieved.

Thereafter, the reward is paid daily if there is a profit based on HWM.

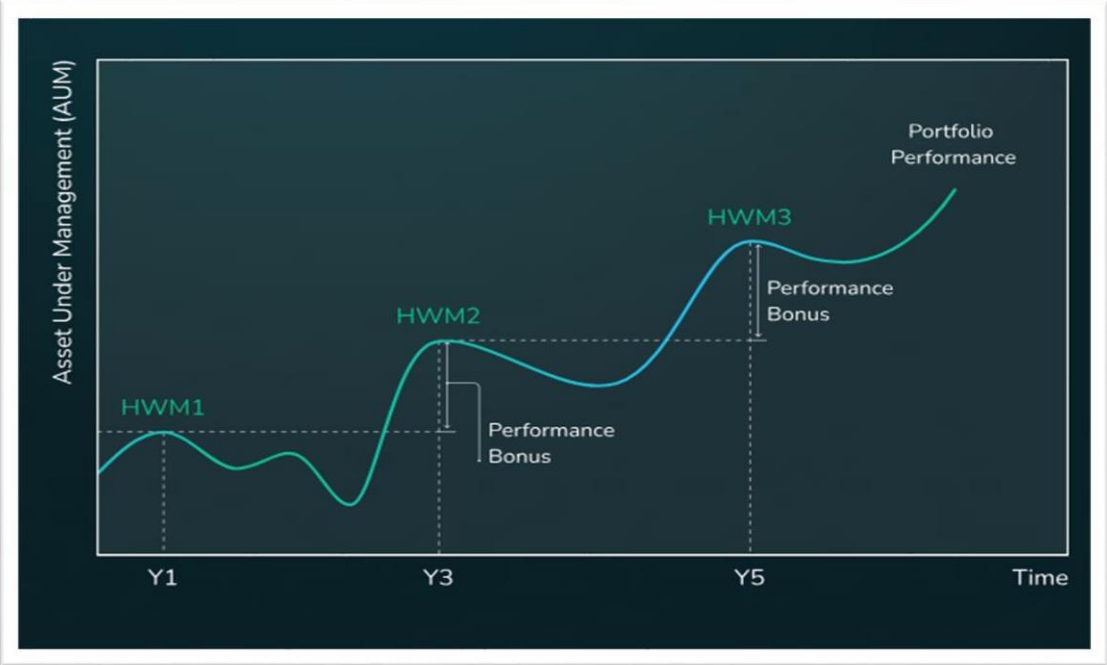
What Is a High-Water Mark and How Is It Calculated?

High-Water Mark (HWM) is the maximum profit level at which a payout has already been made to the trader. Rewards are credited only on new net profits that exceed the previous HWM level. This prevents duplicate payouts for the same result.

After the first payout, the current profit level is set as the new HWM. To receive the next payout, you must not only maintain the achieved result but also exceed the established HWM level.

Example:

- The trader received their first payout when their profit reached +2,000 USD. The value +2,000 USD becomes the HWM level.
- The profit then increased to +2,500 USD. The payout is calculated only on the additional profit of 500 USD.
- If the profit drops to +1,800 USD, no new payouts will be made.
- Once the profit recovers to +2,000 USD, no payouts will be made either, since the HWM level has not yet been exceeded.
- The next payout will only be possible once the profit exceeds +2,000 USD.



Calculating Daily and Total Drawdown

When participating in prop challenges, it is important to consider how loss limits are calculated.

The maximum daily drawdown is calculated not based on the account's initial balance, but on the balance at the start of the current trading day.

For example, if an account was opened with a balance of 10,000 USD and the balance increased to 15,000 USD during the day, the daily drawdown limit for the next day will be calculated based on 15,000 USD. With a set limit of 1,000 USD, a violation of the rules will occur if equity falls to 14,000 USD.

The maximum daily drawdown and maximum total drawdown are set as fixed amounts. This means that the drawdown violation threshold is defined as a specific monetary value and is not automatically recalculated based on the current balance or profit in the account.

Calculation of Trading Days

Trading days in the system are calculated based on UTC time. A new trading day begins at 00:00:01 UTC regardless of:

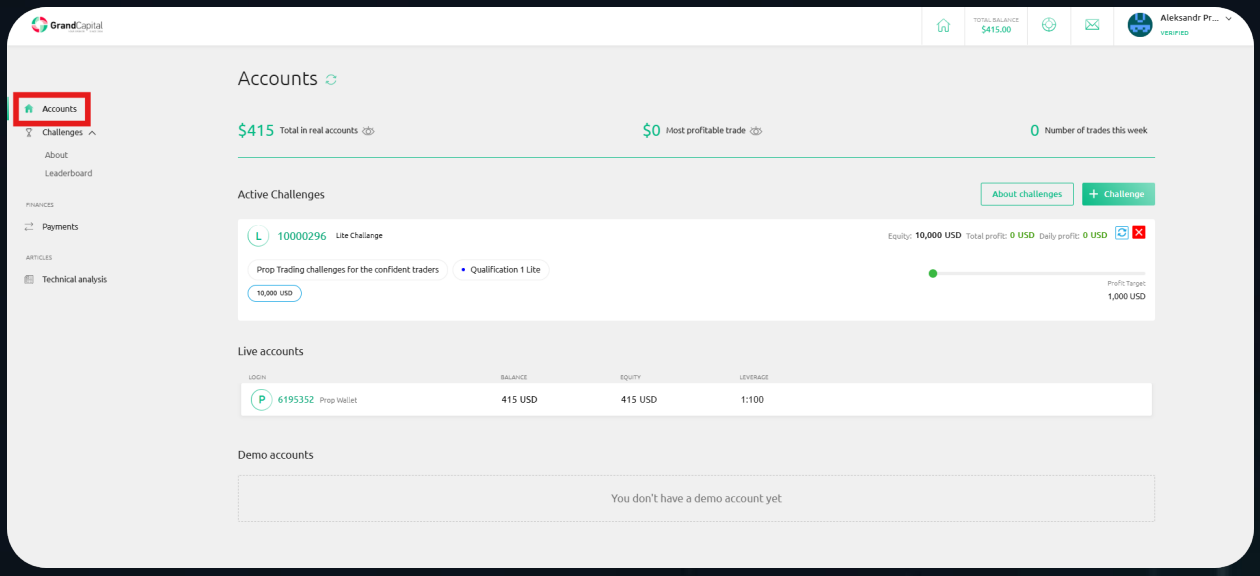
- ***The trader's local time;***
- ***The trading server's time;***
- ***The time the account was opened;***
- ***The time of the first trade or order.***

It is particularly important to take this into account when rolling over open positions across the close of the trading day and when monitoring daily drawdown limits.

Prop Trading Account Sections Menu

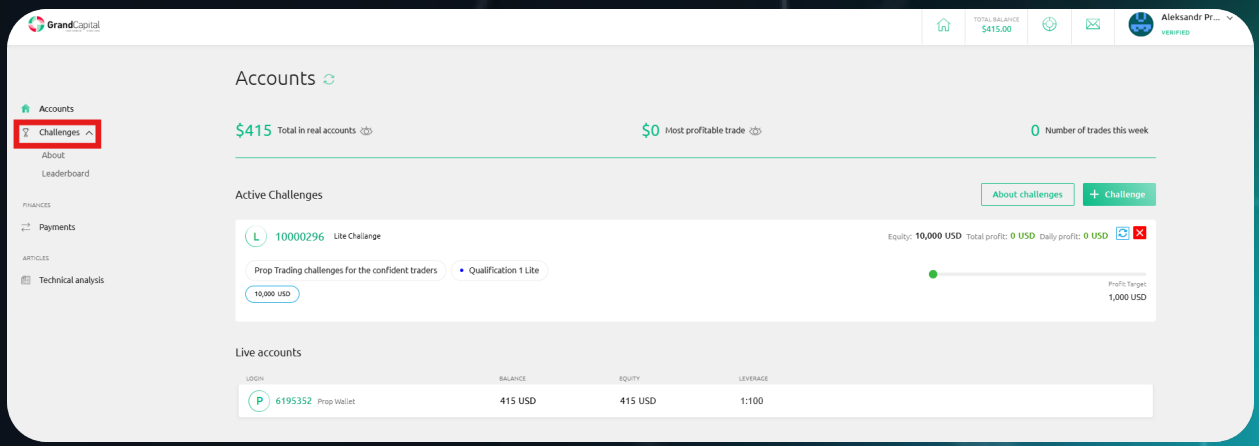
“Accounts” Section

The main section of the personal account, which displays all of the user's trading accounts. Here, you can view challenge accounts and track their current status.



“Challenges” Section

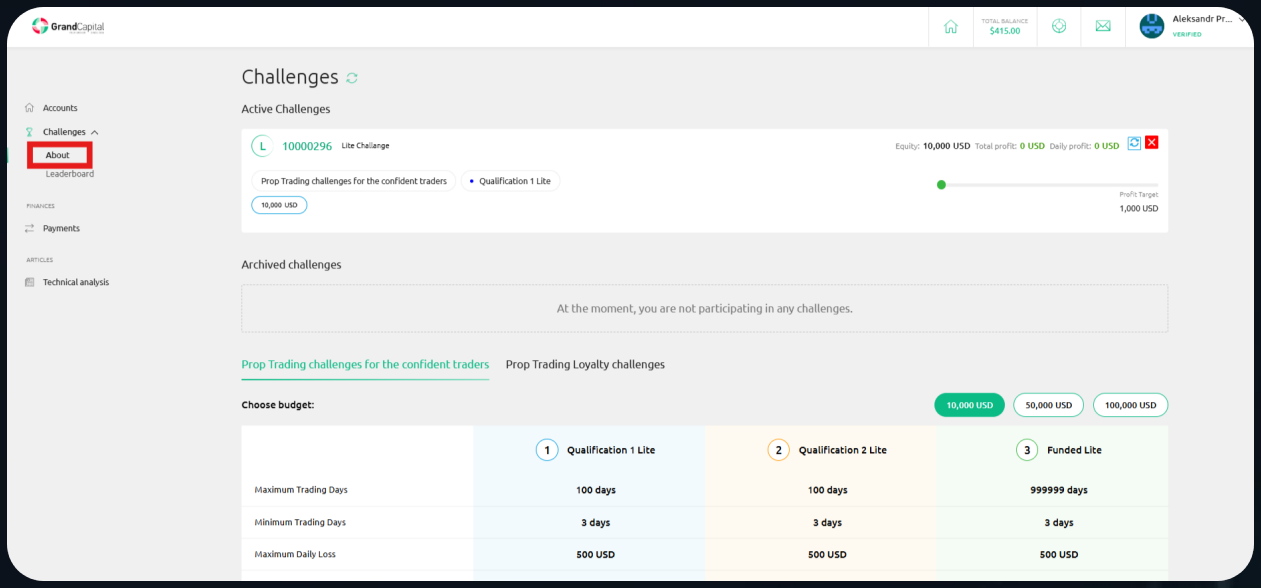
The Challenges section is designed for working with prop challenges and managing the stages of the program. This section displays active challenges and the current status of each stage, and allows you to start a new challenge.



When you expand the section, additional subsections become available:

About

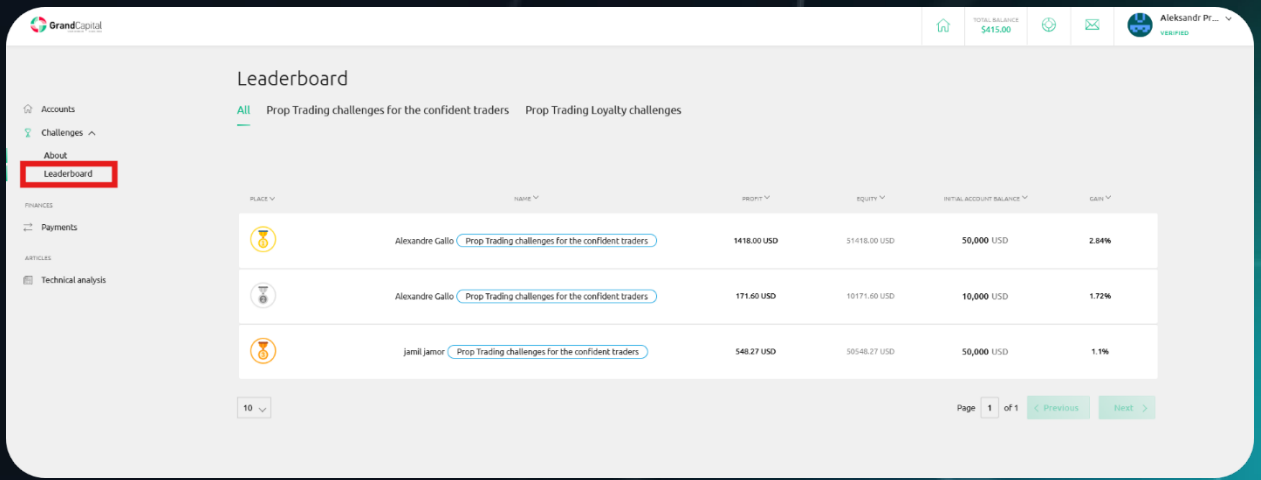
The “About” section contains basic information about the Prop Trading program, the rules for completing challenges, funding terms, risk limits, and how the platform works.



Leaderboard

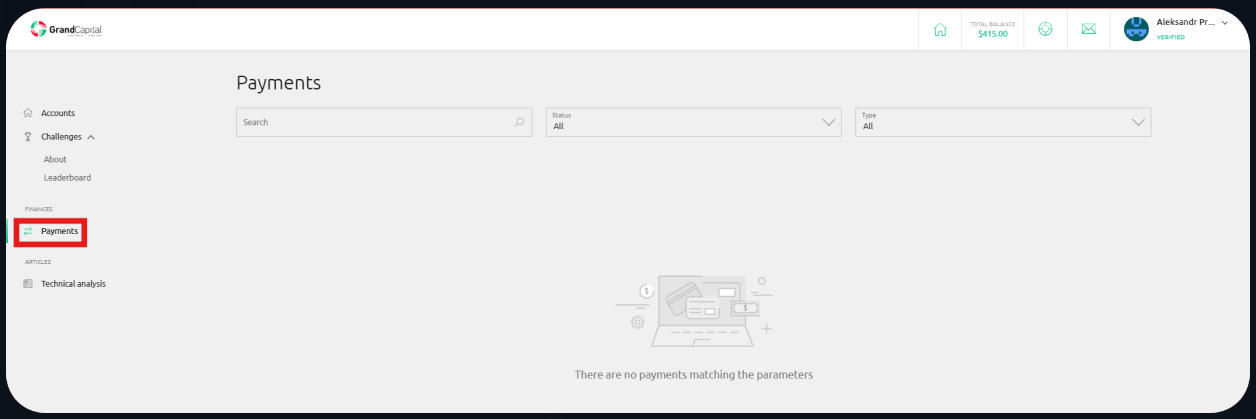
The “Leaderboard” subsection displays the rankings of program participants.
In this section, you can view other traders' result.

Compare trading metrics, and track participants' positions in the platform's rankings.



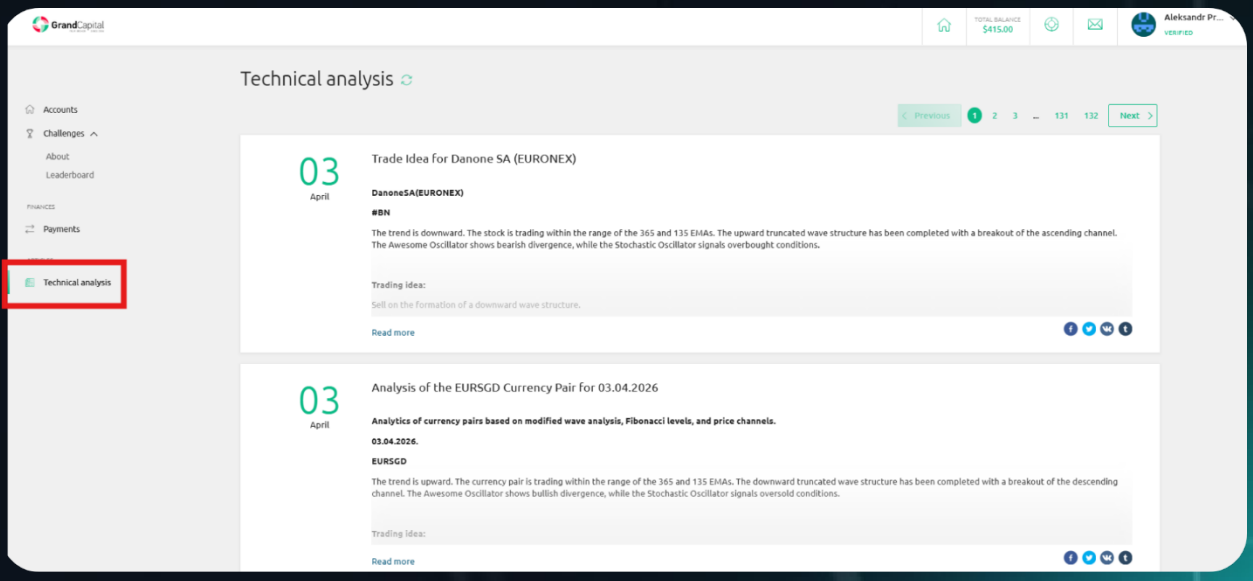
“Payments” Section

The platform's financial section. Used to view payment history.



“Technical Analysis” Section

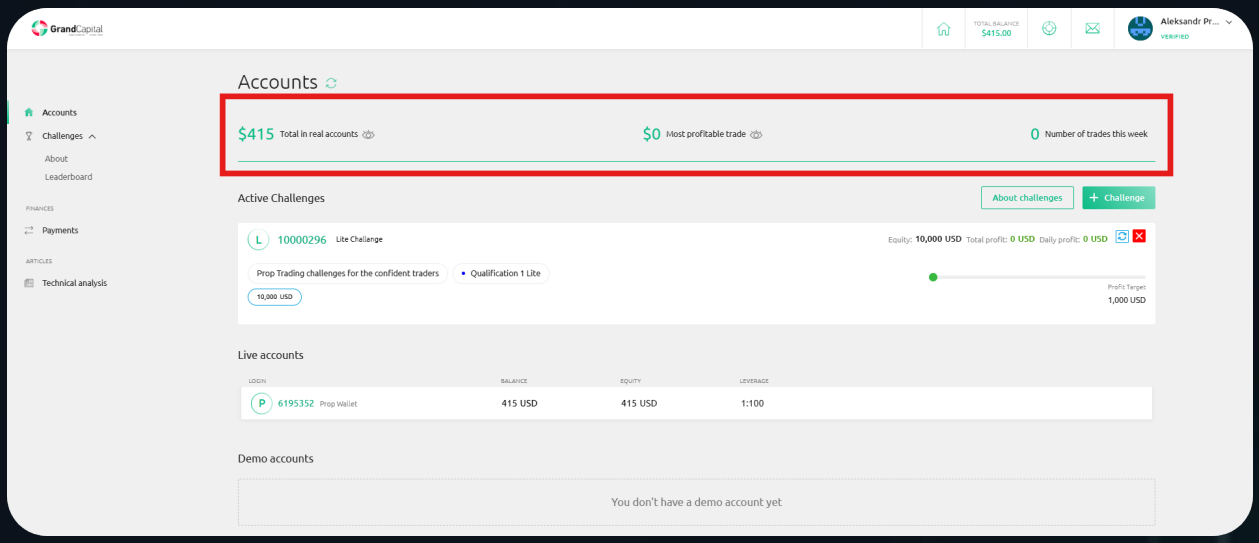
The Technical Analysis section is intended for publishing analytical and educational materials on trading. This section features articles analyzing financial markets, reviews of trading instruments, trading ideas, and materials on technical analysis.



Account Statistics Section

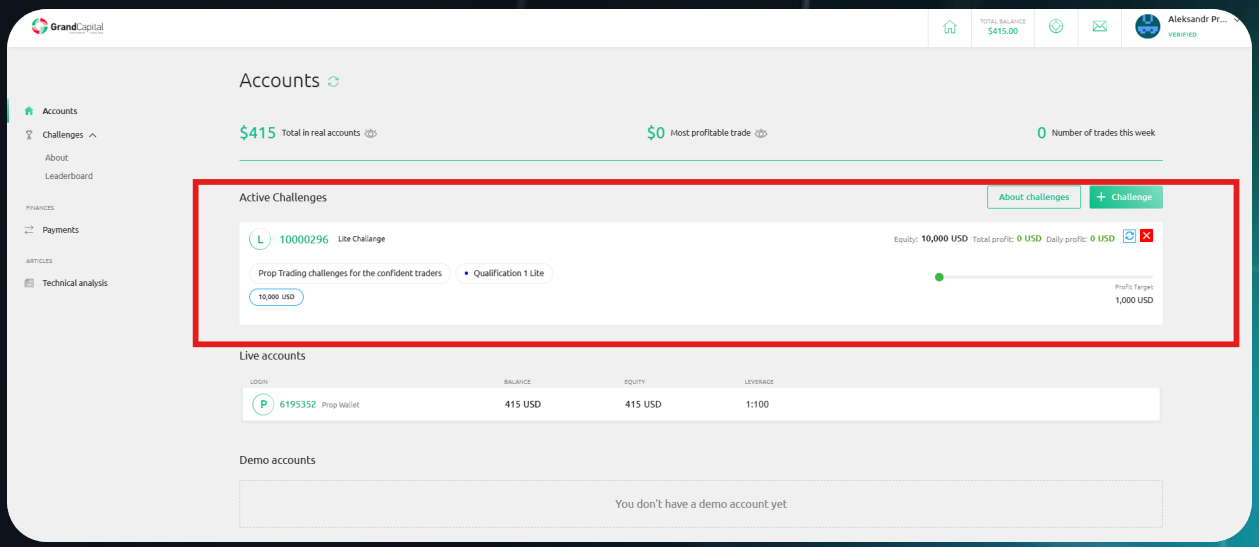
At the top of the page, you'll find a summary of the user's trading activity:

- **Total in real accounts— the combined balance of all live accounts;**
- **Most profitable trade;**
- **Number of trades this week.**



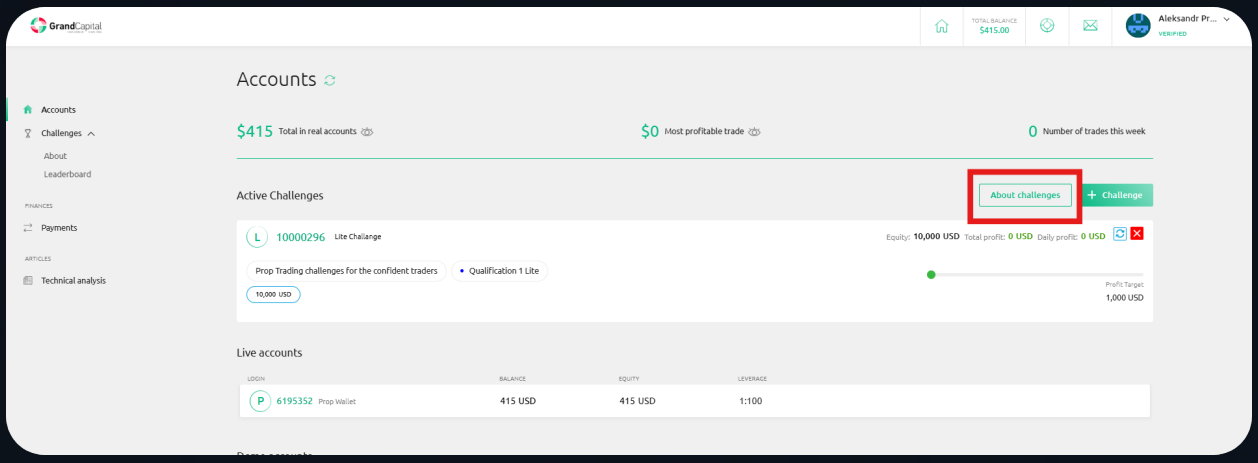
“Active Challenges” Section

A section displaying active challenges. If the user is not participating in any programs, a corresponding notification is displayed.



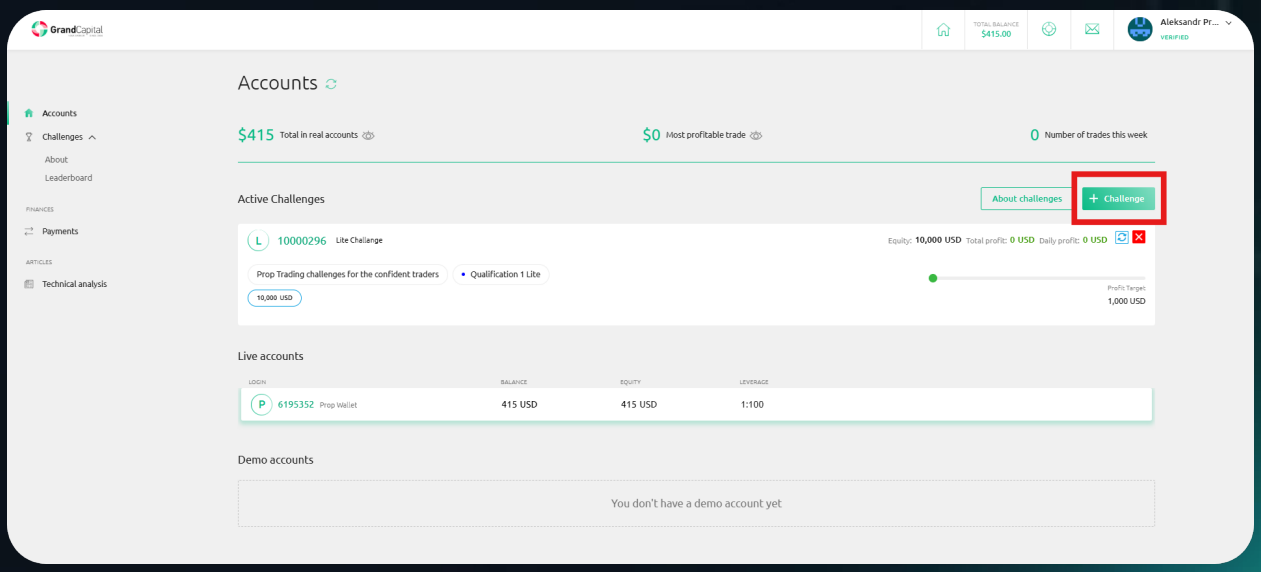
“About Challenges” button

Opens a page with detailed information about the rules, stages, and conditions for completing the challenges.



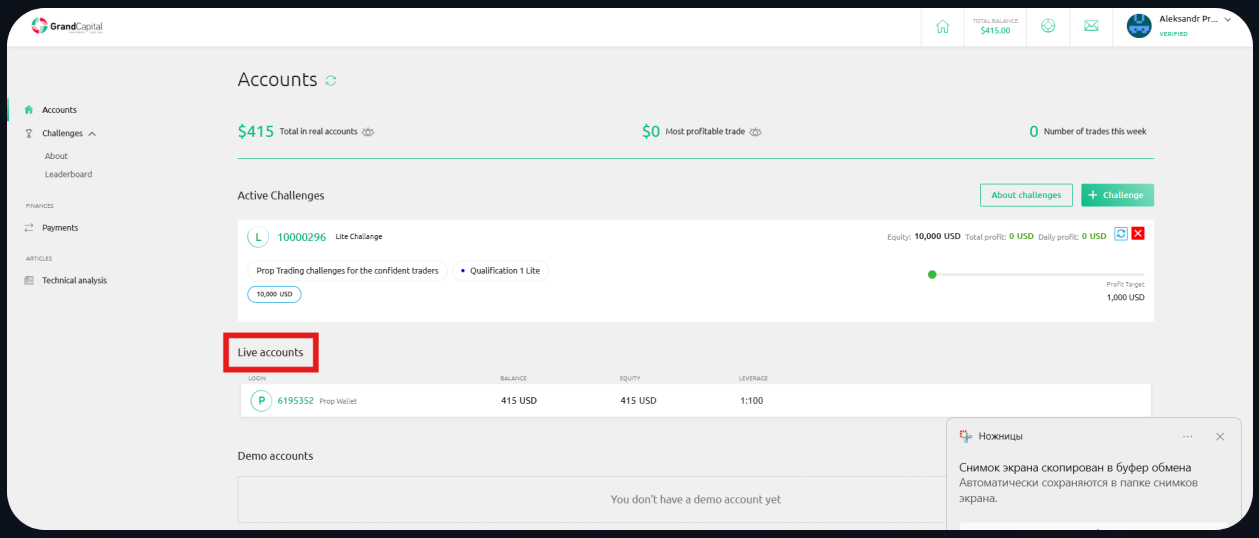
“Challenge” button

Used to create and purchase a new challenge.



“Live Accounts” Section

This section displays information about your Prop Wallet.



The Prop Trading program offers the opportunity to have your trading skills evaluated and gain access to a funded account, provided you comply with the established terms and risk management rules.

Before you begin participating, we recommend that you carefully review the program rules, the requirements for completing each stage, and the restrictions on daily and maximum drawdown.

All information regarding participation requirements, program stages, trading conditions, and current rules is available in your Prop Trading account dashboard.

If you have any questions regarding registration, participation in the program, obtaining trading account details, or using the MetaTrader 4 platform, please contact Grand Capital’s support team via your Personal Account or use the available contact channels listed on the company’s official website.

This concludes the guide. We wish you successful trading, profitable trades, and new heights in prop trading!