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US (CFTC / NFA) vs Canada (CSA / OSC): prop firm rules compared

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In short: The United States (CFTC / NFA): regulator's position enforcement case dismissed (2025), licensed-route capital $45,000 (independent introducing broker), compensation none. Canada (CSA / OSC): regulator's position enforcement action (2023), licensed-route capital Not confirmed, compensation none for challenge fees. Figures as of November 2026.

This page sets the two regimes side by side, using the same headings for each. It does not say which is ‘better’: that depends on the business model and on who the traders are. The full rules, sources and FAQs are in the Prop firm license in the United States and Prop firm license in Canada guides.

Side by side

	United States	Canada
Regulator	Commodity Futures Trading Commission (CFTC) and National Futures Association (NFA)	Provincial securities regulators, coordinated by the Canadian Securities Administrators (CSA); in Ontario the Ontario Securities Commission (OSC)
Regulator's position	No rule specific to funded-trader programmes. In 2023 the CFTC sued My Forex Funds, alleging fraud in retail forex and commodity transactions; in May 2025 a federal court dismissed the case with prejudice and sanctioned the CFTC over misconduct in the litigation.	Enforcement action. In August 2023 the OSC issued a temporary cease trade order against Traders Global Group Inc. (My Forex Funds), alleging possible breaches including fraud, unregistered trading and illegal distribution of securities. These allegations were not proven; the Ontario Superior Court later returned the firm's funds and client data and in 2026 awarded it costs against the OSC.

	United States	Canada
License	No licence for simulated evaluations as such; CFTC registration and NFA membership as an introducing broker for a firm that introduces traders' live futures accounts to a futures commission merchant; CFTC registration for offering leveraged retail forex or retail commodity transactions	No specific regime; dealer registration with a provincial securities regulator where a scheme amounts to trading in securities or derivatives
Legal basis	Commodity Exchange Act and CFTC regulations; NFA rules for members; Federal Trade Commission Act and state law for consumer protection	Provincial securities acts (in Ontario, the Securities Act, R.S.O. 1990, c. S.5)
Minimum capital (licensed route)	An introducing broker must hold adjusted net capital of at least $45,000, unless it operates under a guarantee agreement with a futures commission merchant (a guaranteed introducing broker).	Not confirmed.
Application fee	Not confirmed.	Not confirmed.
Decision time	Not confirmed.	Not confirmed.
Local substance	Registered firms and their principals must pass NFA's fitness checks, and principals and associated persons must meet NFA proficiency requirements.	Not confirmed.
Consumer protection	The Federal Trade Commission Act prohibits unfair or deceptive acts or practices, and state consumer protection laws also apply to challenges sold to consumers.	Provincial consumer protection laws apply to consumer purchases. Not confirmed how they apply to challenge fees.
Live trading and payouts	Futures prop firms typically run evaluations on simulated accounts through NFA-registered futures commission merchants and platforms. Where a trader opens a live account, the futures commission merchant holds the money under CFTC customer segregation rules.	Not confirmed.

	United States	Canada
Compensation scheme	None. SIPC does not protect commodity futures contracts, and there is no compensation fund for challenge fees.	None for challenge fees. The Canadian Investor Protection Fund protects clients of member firms of the Canadian Investment Regulatory Organization if the member firm becomes insolvent.
Serving traders abroad	Not applicable. CFTC registration covers business with US customers; foreign prop firms that serve US residents remain subject to US law.	Registration is provincial; the CSA passport system lets a firm registered in its home province rely on that registration in other provinces.
Public register	NFA BASIC (Background Affiliation Status Information Center) [2]	CSA National Registration Search [4]

Each figure is sourced in the license guide, where every line carries its own reference.

Frequently asked questions

Which license costs more to hold, the United States or Canada?

The United States: An introducing broker must hold adjusted net capital of at least $45,000, unless it operates under a guarantee agreement with a futures commission merchant (a guaranteed introducing broker). Canada: Not confirmed. Capital is only the floor: running costs (staff, audit, compliance, technology) usually exceed it.

What do the two regulators say about funded-trader firms?

The United States: No rule specific to funded-trader programmes. In 2023 the CFTC sued My Forex Funds, alleging fraud in retail forex and commodity transactions; in May 2025 a federal court dismissed the case with prejudice and sanctioned the CFTC over misconduct in the litigation. Canada: Enforcement action. In August 2023 the OSC issued a temporary cease trade order against Traders Global Group Inc. (My Forex Funds), alleging possible breaches including fraud, unregistered trading and illegal distribution of securities. These allegations were not proven; the Ontario Superior Court later returned the firm's funds and client data and in 2026 awarded it costs against the OSC.

What happens to challenge fees if the firm fails?

The United States: None. SIPC does not protect commodity futures contracts, and there is no compensation fund for challenge fees. Canada: None for challenge fees. The Canadian Investor Protection Fund protects clients of member firms of the Canadian Investment Regulatory Organization if the member firm becomes insolvent.

Can a licensed firm serve traders in other countries?

The United States: Not applicable. CFTC registration covers business with US customers; foreign prop firms that serve US residents remain subject to US law. Canada: Registration is provincial; the CSA passport system lets a firm registered in its home province rely on that registration in other provinces.

See also

- Prop firm license in the United States
- Prop firm license in Canada
- US (CFTC / NFA) vs UK (FCA): prop firm rules compared
- All 11 licenses in one table

References

1. Official Commodity Futures Trading Commission (CFTC) and National Futures Association (NFA) . United States. Accessed November 2026.
2. Official NFA BASIC (Background Affiliation Status Information Center) . CFTC / NFA. Accessed November 2026.
3. Official Provincial securities regulators, coordinated by the Canadian Securities Administrators (CSA); in Ontario the Ontario Securities Commission (OSC) . Canada. Accessed November 2026.
4. Official CSA National Registration Search . CSA / OSC. Accessed November 2026.

General information, not legal or investment advice. Figures as of November 2026; confirm with the regulator before applying or opening an account.

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