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US (CFTC / NFA) vs UK (FCA): 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. The United Kingdom (FCA): regulator's position no policy; warnings on some firms, licensed-route capital £750,000 (own-account investment firm), 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 the United Kingdom guides.

Side by side

	United States	United Kingdom
Regulator	Commodity Futures Trading Commission (CFTC) and National Futures Association (NFA)	Financial Conduct Authority (FCA)
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.	No published policy statement on funded-trader programmes. The FCA's Warning List includes at least one funded-trader website that the FCA says may be providing or promoting financial services without permission.

	United States	United Kingdom
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 FCA authorisation for simulated evaluations as such; FCA authorisation where the firm carries on regulated activities for clients (for example dealing, arranging or managing investments), or deals on own account outside the MiFID exemption
Legal basis	Commodity Exchange Act and CFTC regulations; NFA rules for members; Federal Trade Commission Act and state law for consumer protection	Financial Services and Markets Act 2000 and the Regulated Activities Order; consumer law for challenge fees
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).	An FCA investment firm with permission to deal on own account has a permanent minimum capital requirement of £750,000; most other MIFIDPRU investment firms need £75,000 or £150,000. A firm that only trades its own money can fall outside MiFID-derived authorisation, subject to conditions such as not being a market maker or executing client orders.
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.	Authorised firms must meet the FCA's threshold conditions, including adequate resources and suitable, fit and proper management based in the UK.
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.	UK consumer law applies to challenges sold to consumers: a 14-day cancellation right for online services (which can be lost once the service has been fully performed at the consumer's request), and a ban on misleading and aggressive commercial practices.

	United States	United Kingdom
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.	Evaluation accounts are usually simulated. Where a broker executes live trades, the broker's FCA client money rules protect its own clients, not the prop firm's challenge buyers.
Compensation scheme	None. SIPC does not protect commodity futures contracts, and there is no compensation fund for challenge fees.	None for challenge fees. The FSCS protects investment business of authorised firms, up to £85,000 per person per firm, when the firm fails; challenge fees paid to an unauthorised business are not covered.
Serving traders abroad	Not applicable. CFTC registration covers business with US customers; foreign prop firms that serve US residents remain subject to US law.	No. Since leaving the EU, a UK authorisation covers UK business only.
Public register	NFA BASIC (Background Affiliation Status Information Center) [2]	FCA Financial Services Register [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 the United Kingdom?

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). The United Kingdom: An FCA investment firm with permission to deal on own account has a permanent minimum capital requirement of £750,000; most other MIFIDPRU investment firms need £75,000 or £150,000. A firm that only trades its own money can fall outside MiFID-derived authorisation, subject to conditions such as not being a market maker or executing client orders. 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. The United Kingdom: No published policy statement on funded-trader programmes. The FCA's Warning List includes at least one funded-trader website that the FCA says may be providing or promoting financial services without permission.

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. The United Kingdom: None for challenge fees. The FSCS protects investment business of authorised firms, up to £85,000 per person per firm, when the firm fails; challenge fees paid to an unauthorised business are not covered.

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. The United Kingdom: No. Since leaving the EU, a UK authorisation covers UK business only.

See also

- Prop firm license in the United States
- Prop firm license in the United Kingdom
- UK (FCA) vs Czech Republic (CNB): prop firm rules compared
- US (CFTC / NFA) vs Canada (CSA / OSC): prop firm rules compared
- UAE (CMA / DFSA / FSRA) vs UK (FCA): prop firm rules compared
- Australia (ASIC) 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 Financial Conduct Authority (FCA) . United Kingdom. Accessed November 2026.
4. Official FCA Financial Services Register . FCA. 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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