THE LIVE ACCOUNT, FUNDED

Vajgrt Labs - Education - Lesson 65 of 72 - 7 min read - Updated Oct 21, 2026

TL;DR

- The account is a CASH account. Stage 2's reasoning stands with money attached: no borrowed money, no interest clock, no forced sales - the worst day in a cash account is bounded by what's in it, and this course's structures never needed the trapdoor.

- Fund the tranche, not the figure. Stage 0's certified figure is the ceiling on everything; the first live phase runs on a slice of it - the example moves $5,000 of $25,000 - chosen so the protocol's worst pre-committed outcome (Lesson 4's -$426 floor) is a small share of the slice and a smaller one of the figure.

- No top-ups, ever, mid-protocol. Adding money after losses so 'the percentages work' converts a bounded tuition into an open-ended commitment and destroys the block's data in the same motion. If the tranche's triggers fire, the experiment ends and a review - not a transfer - decides what happens next.

THE TAKEAWAYS

- The account's shape: cash, at a broker you already know from the paper phase - Stage 2's selection questions still apply (fees published, Rule 606 reports available, fills reported properly). Margin is not applied for and not enabled: Stage 8 priced a vertical's buying-power effect at roughly its maximum loss, so the course's structures fit a cash account's collateral logic. Whether a cash account at your broker may hold defined-risk spreads is the broker's stated policy - read the account's options agreement BEFORE funding; if cash-account spreads aren't permitted there, that is a broker-selection fact, never a reason to switch on borrowing.

- The application, honestly: trading options live means an approval level, assigned by the broker from the application's answers - experience, finances, objectives. This stage needs only the level that permits defined-risk spreads. Inflating the answers to unlock more is disqualifying in this course, and not as etiquette: the application is the first live trade of the stage, and it is graded like one. A trader who lies to a form to reach more risk has announced their process before the first fill.

- The money moves once: one transfer of the tranche, from the account where the certified figure already lives. Expect Stage 2's mechanics with money attached - transfers take time to arrive and settle, new funds may be held before they are tradable, and in a cash account purchases run on settled money: the good faith violation stops being a quiz answer and becomes a real way to bruise a new account. Fund on a quiet day, not on a morning a setup is calling. The first trade waits for settled funds and a written plan card, in that order.

- What the account now produces: real confirmations for every fill, real statements, and after the year turns, the tax package built around Form 1099-B (Lesson 6). Read the first confirmation the day it arrives - price, fees, the works - against the journal entry for the same trade. That reconciliation, started at trade #1, is the cheapest records habit in the stage; discovering in February that your journal and your broker disagree about October is the expensive version.

RULE: Cash account, honest application, one transfer: the tranche moves once, and the protocol - never a losing week - decides if it ever moves again.

COMMON MISTAKES

- Enabling margin 'just in case.' The case never comes in this course - the structures are defined-risk - and the trapdoor's rent and forced-sale clause come free with the switch (Stage 2).

- Funding the full certified figure. The tranche isn't timidity; it is what makes the block's floor a rounding error in your life instead of an event in it.

- Topping up after losses. A refill is a new risk decision disguised as bookkeeping - and it falsifies the block's record of what the first ten actually cost.

- Trading the morning the money lands. Unsettled funds in a cash account is how a good faith violation (Stage 2) becomes a first live memory. The account gets its inspection week.

DO IT - ON PAPER: THE FUNDING PAGE

Write the funding page of your protocol (Lesson 4's card carries a panel for it) before any real application exists: your account type (cash); the broker, with the two Stage 2 facts you verified about it - its published contract fee, and where its Rule 606 report lives; the approval level you will request and the honest experience sentence you will write on the application; your certified figure from Stage 0's worksheet; your tranche - the amount, and the one-line reason its size is right; and the sentence 'No top-ups during the block', initialled.
If any line can't be written from an artefact you hold, it routes back to Lesson 1's audit.
Nothing is opened, funded or applied for by this exercise - the page is the deliverable.

Education only - not financial advice, and not tax advice. Stage 10's worked figures are the course's labeled example learner - a $25,000 certified figure from Stage 0, a $5,000 tuition tranche - on Stages 7-9's own structures (the 773/775 and 780/785 call debit verticals; the 765/760 put credit) at their printed fills, marked EXAMPLE on the page and on every graphic; its worked block's expectancy is Stage 9's sample log figure; the contract-fee example is Fidelity's published schedule (checked in Stage 2). Its tax statements are general information summarised from IRS Publication 550, IRS Topic No. 409 and the IRS Instructions for Form 1099-B (irs.gov), checked Oct 15, 2026. Going live is optional by design; nothing here promises or implies profitability. Vajgrt Labs - Education.