

## BrokerCheck Report

### IDB CAPITAL CORP.

CRD# 106032

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When communicating online or investing with any professional, make sure you know who you're dealing with. [Imposters](#) might link to sites like BrokerCheck from [phishing](#) or similar scam websites, or through [social media](#), trying to steal your personal information or your money.

Please contact FINRA with any concerns.

## About BrokerCheck®

BrokerCheck offers information on all current, and many former, registered securities brokers, and all current and former registered securities firms. FINRA strongly encourages investors to use BrokerCheck to check the background of securities brokers and brokerage firms before deciding to conduct, or continue to conduct, business with them.

- **What is included in a BrokerCheck report?**

- BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.

- Please note that the information contained in a BrokerCheck report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

- **Where did this information come from?**

- The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:
  - information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
  - information that regulators report regarding disciplinary actions or allegations against firms or brokers.

- **How current is this information?**

- Generally, active brokerage firms and brokers are required to update their professional and disciplinary information in CRD within 30 days. Under most circumstances, information reported by brokerage firms, brokers and regulators is available in BrokerCheck the next business day.

- **What if I want to check the background of an investment adviser firm or investment adviser representative?**

- To check the background of an investment adviser firm or representative, you can search for the firm or individual in BrokerCheck. If your search is successful, click on the link provided to view the available licensing and registration information in the SEC's Investment Adviser Public Disclosure (IAPD) website at <https://www.adviserinfo.sec.gov>. In the alternative, you may search the IAPD website directly or contact your state securities regulator at <http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/P455414>.

- **Are there other resources I can use to check the background of investment professionals?**

- FINRA recommends that you learn as much as possible about an investment professional before deciding to work with them. Your state securities regulator can help you research brokers and investment adviser representatives doing business in your state.

• **Thank you for using FINRA BrokerCheck.**



Using this site/information means that you accept the FINRA BrokerCheck Terms and Conditions. A complete list of Terms and Conditions can be found at [brokercheck.finra.org](http://brokercheck.finra.org)



For additional information about the contents of this report, please refer to the User Guidance or [www.finra.org/brokercheck](http://www.finra.org/brokercheck). It provides a glossary of terms and a list of frequently asked questions, as well as additional resources. For more information about FINRA, visit [www.finra.org](http://www.finra.org).



## IDB CAPITAL CORP.

CRD# 106032

SEC# 8-53000

### Main Office Location

1114 AVENUE OF THE AMERICAS  
NEW YORK, NY 10036  
Regulated by FINRA New York Office

### Mailing Address

1114 AVENUE OF THE AMERICAS  
NEW YORK, NY 10036

### Business Telephone Number

212-551-8800

## Report Summary for this Firm

This report summary provides an overview of the brokerage firm. Additional information for this firm can be found in the detailed report.

### Firm Profile

This firm is classified as a corporation.

This firm was formed in New York on 09/11/2000.

Its fiscal year ends in December.

### Firm History

Information relating to the brokerage firm's history such as other business names and successions (e.g., mergers, acquisitions) can be found in the detailed report.

### Firm Operations

**This firm is registered with:**

- the SEC
- 1 Self-Regulatory Organization
- 29 U.S. states and territories

Is this brokerage firm currently suspended with any regulator? **No**

This firm conducts 12 types of businesses.

This firm is affiliated with financial or investment institutions.

This firm has referral or financial arrangements with other brokers or dealers.

### Disclosure Events

Brokerage firms are required to disclose certain criminal matters, regulatory actions, civil judicial proceedings and financial matters in which the firm or one of its control affiliates has been involved.

Are there events disclosed about this firm? **Yes**

**The following types of disclosures have been reported:**

Type	Count
Regulatory Event	1

The number of disclosures from non-registered control affiliates is 1



## Firm Profile

This firm is classified as a corporation.

This firm was formed in New York on 09/11/2000.

Its fiscal year ends in December.

## Firm Names and Locations

This section provides the brokerage firm's full legal name, "Doing Business As" name, business and mailing addresses, telephone number, and any alternate name by which the firm conducts business and where such name is used.

### IDB CAPITAL CORP.

**Doing business as** IDB CAPITAL CORP.

**CRD#** 106032

**SEC#** 8-53000

### Main Office Location

1114 AVENUE OF THE AMERICAS  
NEW YORK, NY 10036

**Regulated by FINRA New York Office**

### Mailing Address

1114 AVENUE OF THE AMERICAS  
NEW YORK, NY 10036

### Business Telephone Number

212-551-8800



## Firm Profile

This section provides information relating to all direct owners and executive officers of the brokerage firm.

### Direct Owners and Executive Officers

**Legal Name & CRD# (if any):** ISRAEL DISCOUNT BANK OF NEW YORK

**Is this a domestic or foreign entity or an individual?** Domestic Entity

**Position** SOLE SHAREHOLDER

**Position Start Date** 11/2000

**Percentage of Ownership** 75% or more

**Does this owner direct the management or policies of the firm?** Yes

**Is this a public reporting company?** No

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**Legal Name & CRD# (if any):** CASE, LESLIE KATHRYN

6058280

**Is this a domestic or foreign entity or an individual?** Individual

**Position** SECRETARY

**Position Start Date** 04/2012

**Percentage of Ownership** Less than 5%

**Does this owner direct the management or policies of the firm?** No

**Is this a public reporting company?** No

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**Legal Name & CRD# (if any):** CLANCY, PATRICIA ANNE

2753700

**Is this a domestic or foreign entity or an individual?** Individual

**Position** CHIEF OPERATING OFFICER, PRINCIPAL OPERATIONS OFFICER

**Position Start Date** 09/2022

## Firm Profile



### Direct Owners and Executive Officers (continued)

**Percentage of Ownership** Less than 5%

**Does this owner direct the management or policies of the firm?** Yes

**Is this a public reporting company?** No

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**Legal Name & CRD# (if any):** FRAHER, NANCY ANN  
6132794

**Is this a domestic or foreign entity or an individual?** Individual

**Position** DIRECTOR

**Position Start Date** 05/2025

**Percentage of Ownership** Less than 5%

**Does this owner direct the management or policies of the firm?** No

**Is this a public reporting company?** No

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**Legal Name & CRD# (if any):** GRANT, EDMOND F  
4058518

**Is this a domestic or foreign entity or an individual?** Individual

**Position** DIRECTOR

**Position Start Date** 10/2019

**Percentage of Ownership** Less than 5%

**Does this owner direct the management or policies of the firm?** No

**Is this a public reporting company?** No

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**Legal Name & CRD# (if any):** KIM, EDWARD SANG

## Firm Profile



### Direct Owners and Executive Officers (continued)

	6702617
<b>Is this a domestic or foreign entity or an individual?</b>	Individual
<b>Position</b>	FINANCIAL AND OPERATIONS PRINCIPAL, PRINCIPAL FINANCIAL OFFICER
<b>Position Start Date</b>	02/2025
<b>Percentage of Ownership</b>	Less than 5%
<b>Does this owner direct the management or policies of the firm?</b>	Yes
<b>Is this a public reporting company?</b>	No
<hr/>	
<b>Legal Name &amp; CRD# (if any):</b>	ROBERTS, DANIEL G 6986015
<b>Is this a domestic or foreign entity or an individual?</b>	Individual
<b>Position</b>	DIRECTOR
<b>Position Start Date</b>	05/2023
<b>Percentage of Ownership</b>	Less than 5%
<b>Does this owner direct the management or policies of the firm?</b>	No
<b>Is this a public reporting company?</b>	No
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<b>Legal Name &amp; CRD# (if any):</b>	SAVIO, KENNETH JOSEPH 1428851
<b>Is this a domestic or foreign entity or an individual?</b>	Individual
<b>Position</b>	INTERIM CHAIRMAN OF THE BOARD
<b>Position Start Date</b>	05/2025
<b>Percentage of Ownership</b>	Less than 5%

## Firm Profile



### Direct Owners and Executive Officers (continued)

**Does this owner direct the management or policies of the firm?** Yes

**Is this a public reporting company?** No

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**Legal Name & CRD# (if any):** SAVIO, KENNETH JOSEPH  
1428851

**Is this a domestic or foreign entity or an individual?** Individual

**Position** PRESIDENT, CHIEF EXECUTIVE OFFICER, DIRECTOR

**Position Start Date** 04/2022

**Percentage of Ownership** Less than 5%

**Does this owner direct the management or policies of the firm?** Yes

**Is this a public reporting company?** No

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**Legal Name & CRD# (if any):** TREBLE, TIMOTHY  
1699773

**Is this a domestic or foreign entity or an individual?** Individual

**Position** CHIEF COMPLIANCE OFFICER AND DIRECTOR

**Position Start Date** 05/2022

**Percentage of Ownership** Less than 5%

**Does this owner direct the management or policies of the firm?** Yes

**Is this a public reporting company?** No

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## Firm Profile

This section provides information relating to any indirect owners of the brokerage firm.

### Indirect Owners

<b>Legal Name &amp; CRD# (if any):</b>	DISCOUNT BANCORP.
<b>Is this a domestic or foreign entity or an individual?</b>	Domestic Entity
<b>Company through which indirect ownership is established</b>	ISRAEL DISCOUNT BANK OF NY
<b>Relationship to Direct Owner</b>	SHAREHOLDER
<b>Relationship Established</b>	11/2000
<b>Percentage of Ownership</b>	75% or more
<b>Does this owner direct the management or policies of the firm?</b>	Yes
<b>Is this a public reporting company?</b>	No
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<b>Legal Name &amp; CRD# (if any):</b>	ISRAEL DISCOUNT BANK LIMITED
<b>Is this a domestic or foreign entity or an individual?</b>	Foreign Entity
<b>Company through which indirect ownership is established</b>	DISCOUNT BANCORP.
<b>Relationship to Direct Owner</b>	SHAREHOLDER
<b>Relationship Established</b>	11/2000
<b>Percentage of Ownership</b>	75% or more
<b>Does this owner direct the management or policies of the firm?</b>	Yes
<b>Is this a public reporting company?</b>	No

## Firm History

This section provides information relating to any successions (e.g., mergers, acquisitions) involving the firm.

No information reported.





Firm Operations

Registrations

This section provides information about the regulators (Securities and Exchange Commission (SEC), self-regulatory organizations (SROs), and U.S. states and territories) with which the brokerage firm is currently registered and licensed, the date the license became effective, and certain information about the firm's SEC registration.

**This firm is currently registered with the SEC, 1 SRO and 29 U.S. states and territories.**

Federal Regulator	Status	Date Effective
SEC	Approved	05/10/2001

SEC Registration Questions

This firm is registered with the SEC as:

A broker-dealer:    Yes

A broker-dealer and government securities broker or dealer:    Yes

A government securities broker or dealer only:    No

This firm has ceased activity as a government securities broker or dealer:    No

Self-Regulatory Organization	Status	Date Effective
FINRA	Approved	05/10/2001



## Firm Operations

### Registrations (continued)

U.S. States & Territories	Status	Date Effective
Arizona	Approved	09/09/2013
California	Approved	05/24/2001
Colorado	Approved	10/04/2017
Connecticut	Approved	05/11/2001
Delaware	Approved	10/26/2020
District of Columbia	Approved	07/24/2014
Florida	Approved	06/19/2001
Georgia	Approved	08/20/2015
Illinois	Approved	05/18/2006
Maine	Approved	04/29/2025
Maryland	Approved	09/30/2008
Massachusetts	Approved	11/06/2006
Michigan	Approved	02/10/2014
Minnesota	Approved	01/21/2020
Nevada	Approved	05/02/2019
New Jersey	Approved	07/20/2001
New York	Approved	03/29/2001
North Carolina	Approved	12/21/2010
Ohio	Approved	10/11/2006
Oregon	Approved	07/24/2024
Pennsylvania	Approved	10/06/2006
South Carolina	Approved	10/25/2006
South Dakota	Approved	11/17/2017
Texas	Approved	10/09/2008
Utah	Approved	02/26/2014
Virginia	Approved	01/27/2017
Washington	Approved	07/22/2020
Wisconsin	Approved	04/22/2009
Wyoming	Approved	11/07/2019



## Firm Operations

### Types of Business

This section provides the types of business, including non-securities business, the brokerage firm is engaged in or expects to be engaged in.

**This firm currently conducts 12 types of businesses.**

#### Types of Business

Broker or dealer retailing corporate equity securities over-the-counter
Broker or dealer selling corporate debt securities
Underwriter or selling group participant (corporate securities other than mutual funds)
Mutual fund retailer
U S. government securities broker
Municipal securities broker
Broker or dealer selling variable life insurance or annuities
Put and call broker or dealer or option writer
Investment advisory services
Non-exchange member arranging for transactions in listed securities by exchange member
Private placements of securities
Broker or dealer involved in a networking, kiosk or similar arrangement with a: bank, savings bank or association, or credit union

## Firm Operations



### Clearing Arrangements

This firm does not hold or maintain funds or securities or provide clearing services for other broker-dealer(s).

### Introducing Arrangements

This firm does refer or introduce customers to other brokers and dealers.

<b>Name:</b>	PERSHING LLC
<b>CRD #:</b>	7560
<b>Business Address:</b>	ONE PERSHING PLAZA JERSEY CITY, NJ 07399
<b>Effective Date:</b>	06/15/2004
<b>Description:</b>	IDB CAPITAL CORP. MAINTAINS A FULLY DISCLOSED CLEARING AGREEMENT WITH PERSHING, LLC. PERSHING'S PRINCIPAL BUSINESS IS THAT OF A CLEARING FIRM. IDB CAPITAL CORP. DOES NOT HOLD ANY CUSTOMER FUNDS OR SECURITIES.

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## Firm Operations

### Industry Arrangements



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**This firm does have books or records maintained by a third party.**

**Name:** PERSHING LLC

**CRD #:** 7560

**Business Address:** ONE PERSHING PLAZA  
JERSEY CITY, NJ 07399

**Effective Date:** 06/15/2004

**Description:** IDB CAPITAL CORP. MAINTAINS A FULLY DISCLOSED CLEARING AGREEMENT WITH PERSHING, LLC. PERSHING'S PRINCIPAL BUSINESS IS THAT OF A CLEARING FIRM. IDB CAPITAL CORP. DOES NOT HOLD ANY CUSTOMER FUNDS OR SECURITIES.

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**This firm does have accounts, funds, or securities maintained by a third party.**

**Name:** PERSHING LLC

**CRD #:** 7560

**Business Address:** ONE PERSHING PLAZA  
JERSEY CITY, NJ 07399

**Effective Date:** 06/15/2004

**Description:** IDB CAPITAL CORP. MAINTAINS A FULLY DISCLOSED CLEARING AGREEMENT WITH PERSHING, LLC. PERSHING'S PRINCIPAL BUSINESS IS THAT OF A CLEARING FIRM. IDB CAPITAL CORP. DOES NOT HOLD ANY CUSTOMER FUNDS OR SECURITIES.

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**This firm does have customer accounts, funds, or securities maintained by a third party.**

**Name:** PERSHING LLC

**CRD #:** 7560

**Business Address:** ONE PERSHING PLAZA  
JERSEY CITY, NJ 07399

**Effective Date:** 06/15/2004

**Description:** IDB CAPITAL CORP. MAINTAINS A FULLY DISCLOSED CLEARING AGREEMENT WITH PERSHING, LLC. PERSHING'S PRINCIPAL BUSINESS IS THAT OF A CLEARING FIRM. IDB CAPITAL CORP. DOES NOT HOLD ANY CUSTOMER FUNDS OR SECURITIES.

## Firm Operations

### Industry Arrangements (continued)

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#### Control Persons/Financing

This firm does not have individuals who control its management or policies through agreement.

This firm does not have individuals who wholly or partly finance the firm's business.





## Firm Operations

### Organization Affiliates

This section provides information on control relationships the firm has with other firms in the securities, investment advisory, or banking business.

**This firm is, directly or indirectly:**

- in control of
  - controlled by
  - or under common control with
- the following partnerships, corporations, or other organizations engaged in the securities or investment advisory business.

**IDB LIDO WEALTH, LLC is under common control with the firm.**

<b>CRD #:</b>	322488
<b>Business Address:</b>	1114 SIXTH AVENUE NEW YORK, NY 10036
<b>Effective Date:</b>	12/05/2022
<b>Foreign Entity:</b>	No
<b>Country:</b>	
<b>Securities Activities:</b>	No
<b>Investment Advisory Activities:</b>	Yes
<b>Description:</b>	VIA ISRAEL DISCOUNT BANK OF NEW YORK

**IDB (SWISS) is under common control with the firm.**

<b>Business Address:</b>	RUE DU RHONE 100 CH-1211 GENEVA, SWITZERLAND
<b>Effective Date:</b>	06/05/2001
<b>Foreign Entity:</b>	Yes
<b>Country:</b>	SWITZERLAND
<b>Securities Activities:</b>	Yes
<b>Investment Advisory Activities:</b>	Yes
<b>Description:</b>	COMPANY IS 100% OWNED BY ISRAEL DISCOUNT BANK LIMITED ("IDB LIMITED") WHICH IS AN INDIRECT OWNER OF THE APPLICANT.

**FIRST INTERNATIONAL BANK OF ISRAEL is under common control with the firm.**

## Firm Operations



### Organization Affiliates (continued)

**Business Address:** 46 ROTHSCHILD RD.  
TEL AVIV 6688310, ISRAEL

**Effective Date:** 11/30/1983

**Foreign Entity:** Yes

**Country:** ISRAEL

**Securities Activities:** Yes

**Investment Advisory Activities:** Yes

**Description:** COMPANY IS 21% OWNED BY ISRAEL DISCOUNT BANK LIMITED ("IDB LIMITED") WHICH IS AN INDIRECT OWNER OF THE APPLICANT.

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#### DISCOUNT BANK LATIN AMERICA is under common control with the firm.

**Business Address:** RINCON 390  
MONTEVIDEO, URUGUAY 11000

**Effective Date:** 06/10/1980

**Foreign Entity:** Yes

**Country:** URUGUAY

**Securities Activities:** Yes

**Investment Advisory Activities:** No

**Description:** WHOLLY OWNED SUBSIDIARY OF THE PARENT OF IDB CAPITAL CORP.

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#### MERCANTILE CAPITAL MARKETS LTD is under common control with the firm.

**Business Address:** ROTHSCHILD BLVD. 44  
TEL-AVIV, ISRAEL

**Effective Date:** 08/24/1999

**Foreign Entity:** Yes

**Country:** ISRAEL

**Securities Activities:** Yes

**Investment Advisory Activities:** Yes

**Description:** 50% OWNED BY MERCANTILE DISCOUNT BANK LTD. WHICH IS 100% OWNED BY IDB LIMITED AN INDIRECT OWNER OF THE APPLICANT.

## Firm Operations



### Organization Affiliates (continued)

**BMD UNDERWRITING AND INVESTMENTS PROMOTIONS LTD. is under common control with the firm.**

<b>Business Address:</b>	ALLENBY 103 TEL AVIV, ISRAEL
<b>Effective Date:</b>	02/08/1993
<b>Foreign Entity:</b>	Yes
<b>Country:</b>	ISRAEL
<b>Securities Activities:</b>	Yes
<b>Investment Advisory Activities:</b>	Yes
<b>Description:</b>	100% OWNED BY MERCANTILE DISCOUNT BANK LTD. WHICH IS 100% OWNED BY IDB LIMITED AN INDIRECT OWNER OF APPLICANT.

**MERCANTILE DISCOUNT BANK LTD. is under common control with the firm.**

<b>Business Address:</b>	ALLENBY 103 TEL AVIV, ISRAEL
<b>Effective Date:</b>	12/31/1971
<b>Foreign Entity:</b>	Yes
<b>Country:</b>	ISRAEL
<b>Securities Activities:</b>	Yes
<b>Investment Advisory Activities:</b>	Yes
<b>Description:</b>	100% OWNED BY IDB LIMITED AN INDIRECT OWNER OF APPLICANT

**BET LAMED DALIT LTD. is under common control with the firm.**

<b>Business Address:</b>	YEHUDA HALEVI 27 TEL AVIV, ISRAEL
<b>Effective Date:</b>	12/13/1955
<b>Foreign Entity:</b>	Yes
<b>Country:</b>	ISRAEL
<b>Securities Activities:</b>	Yes
<b>Investment Advisory Activities:</b>	No

## Firm Operations



### Organization Affiliates (continued)

**Description:** 100% OWNED BY IDB LIMITED AN INDIRECT OWNER OF THE APPLICANT

**DISCOUNT MANPIKIM LTD is under common control with the firm.**

**Business Address:** YEHUDA HALEVI 27  
TEL AVIV, ISRAEL

**Effective Date:** 05/29/1974

**Foreign Entity:** Yes

**Country:** ISRAEL

**Securities Activities:** Yes

**Investment Advisory Activities:** No

**Description:** COMPANY IS 100% OWNED BY IDB LIMITED AN INDIRECT OWNER OF APPLICANT

**DISCOUNT GEMEL LTD is under common control with the firm.**

**Business Address:** LILIANBLOOM 25A  
TEL AVIV, ISRAEL

**Effective Date:** 11/02/1999

**Foreign Entity:** Yes

**Country:** ISRAEL

**Securities Activities:** Yes

**Investment Advisory Activities:** No

**Description:** COMPANY IS 100% OWNED BY IDB LIMITED AN INDIRECT OWNER OF APPLICANT

**TACHLIT DISCOUNT PORTFOLIO MGMT LTD is under common control with the firm.**

**Business Address:** YEHUDA HALEVI 38  
TEL AVIV, ISRAEL

**Effective Date:** 03/18/1987

**Foreign Entity:** Yes

**Country:** ISRAEL

**Securities Activities:** Yes

## Firm Operations



### Organization Affiliates (continued)

**Investment Advisory Activities:** Yes

**Description:** COMPANY IS 100% OWNED BY IDB LIMITED WHICH IS AN INDIRECT OWNER OF APPLICANT

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**ISRAEL DISCOUNT CAPITAL MARKETS & INVESTMENTS LTD is under common control with the firm.**

**Business Address:** YAVNEH STREET 31  
TEL AVIV, ISRAEL

**Effective Date:** 09/16/1992

**Foreign Entity:** Yes

**Country:** ISRAEL

**Securities Activities:** Yes

**Investment Advisory Activities:** Yes

**Description:** COMPANY IS 100% OWNED BY ISRAEL DISCOUNT BANK LIMITED ("IDB LIMITED") WHICH IS AN INDIRECT OWNER OF THE APPLICANT.

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**This firm is directly or indirectly, controlled by the following:**

- bank holding company
- national bank
- state member bank of the Federal Reserve System
- state non-member bank
- savings bank or association
- credit union
- or foreign bank

**ISRAEL DISCOUNT BANK LIMITED (IDBL) is a Foreign Bank and controls the firm.**

**Business Address:** 27 YEHUDA HALEVI  
TEL AVIV 65136, ISRAEL

**Effective Date:** 11/01/2000

**Description:** IDBL OWNS 100% OF DISCOUNT BANCORP WHICH OWNS 100% OF IDBNY WHICH OWNS 100% OF APPLICANT

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**DISCOUNT BANCORP INC. is a Bank Holding Company and controls the firm.**

**Business Address:** 1114 AVENUE OF THE AMERICAS  
NEW YORK, NY 10036

Firm Operations



Organization Affiliates (continued)

Effective Date:	11/01/2000
Description:	IDBL OWNS 100% OF DISCOUNT BANCORP WHICH OWNS 100% OF IDBNY WHICH OWNS 100% OF APPLICANT

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ISRAEL DISCOUNT BANK OF NEW YORK (IDBNY) is a State Non Member Bank and controls the firm.

Business Address:	1114 AVENUE OF THE AMERICAS NEW YORK, NY 10036
Effective Date:	11/01/2000
Description:	IDBNY IS THE SOLE SHAREHOLDER OF APPLICANT

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Disclosure Events

All firms registered to sell securities or provide investment advice are required to disclose regulatory actions, criminal or civil judicial proceedings, and certain financial matters in which the firm or one of its control affiliates has been involved. For your convenience, below is a matrix of the number and status of disclosure events involving this brokerage firm or one of its control affiliates. Further information regarding these events can be found in the subsequent pages of this report.

	Pending	Final	On Appeal
Regulatory Event	0	1	0

## Disclosure Event Details

### What you should know about reported disclosure events:

1. **BrokerCheck provides details for any disclosure event that was reported in CRD. It also includes summary information regarding FINRA arbitration awards in cases where the brokerage firm was named as a respondent.**
2. **Certain thresholds must be met before an event is reported to CRD, for example:**
  - A law enforcement agency must file formal charges before a brokerage firm is required to disclose a particular criminal event.
3. **Disclosure events in BrokerCheck reports come from different sources:**
  - Disclosure events for this brokerage firm were reported by the firm and/or regulators. When the firm and a regulator report information for the same event, both versions of the event will appear in the BrokerCheck report. The different versions will be separated by a solid line with the reporting source labeled.
4. **There are different statuses and dispositions for disclosure events:**
  - A disclosure event may have a status of *pending*, *on appeal*, or *final*.
    - A "pending" event involves allegations that have not been proven or formally adjudicated.
    - An event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
    - A "final" event has been concluded and its resolution is not subject to change.
  - A final event generally has a disposition of *adjudicated*, *settled* or *otherwise resolved*.
    - An "adjudicated" matter includes a disposition by (1) a court of law in a criminal or civil matter, or (2) an administrative panel in an action brought by a regulator that is contested by the party charged with some alleged wrongdoing.
    - A "settled" matter generally involves an agreement by the parties to resolve the matter. Please note that firms may choose to settle customer disputes or regulatory matters for business or other reasons.
    - A "resolved" matter usually involves no payment to the customer and no finding of wrongdoing on the part of the individual broker. Such matters generally involve customer disputes.
5. **You may wish to contact the brokerage firm to obtain further information regarding any of the disclosure events contained in this BrokerCheck report.**

### Regulatory - Final

This type of disclosure event involves (1) a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, self-regulatory organization, federal regulator such as the U.S. Securities and Exchange Commission, foreign financial regulatory body) for a violation of investment-related rules or regulations; or (2) a revocation or suspension of the authority of a brokerage firm or its control affiliate to act as an attorney, accountant or federal contractor.

#### Disclosure 1 of 1

**Reporting Source:** Regulator

**Current Status:** Final



**Allegations:** NASAD RULES 2110, 3010, 6230(A), 6230(C)(8), 6230(E) - IDB CAPITAL CORP. FAILED TO REPORT TO TRACE TRANSACTIONS IN TRACE-ELIGIBLE SECURITIES EXECUTED ON A BUSINESS DAY DURING TRACE SYSTEM HOURS WITHIN 45 MINUTES OF THE TIME OF EXECUTION; REPORTED TO TRACE TRANSACTIONS THAT WERE PART OF A PRIMARY DISTRIBUTION BY AN ISSUER AND WERE EXEMPT FROM TRACE REPORTING; FAILED TO REPORT TO TRACE THE CORRECT TIME OF TRADE EXECUTION FOR TRANSACTIONS IN TRACE-ELIGIBLE SECURITIES; AND THE FIRM'S SUPERVISORY SYSTEM FAILED TO PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH RESPECT TO APPLICABLE SECURITIES LAWS, REGULATIONS, AND NASD RULES CONCERNING TRACE REPORTING.

**Initiated By:** NASD

**Date Initiated:** 04/25/2006

**Docket/Case Number:** 2005000178901

**Principal Product Type:** Other

**Other Product Type(s):** TRACE-ELIGIBLE SECURITIES

**Principal Sanction(s)/Relief Sought:**

**Other Sanction(s)/Relief Sought:**

**Resolution:** Acceptance, Waiver & Consent(AWC)

**Resolution Date:** 04/25/2006

**Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?** No

**Sanctions Ordered:** Censure  
Monetary/Fine \$20,000.00

**Other Sanctions Ordered:**

**Sanction Details:** WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS CENSURED AND FINED \$20,000.

**Reporting Source:** Firm



**Current Status:** Final

**Allegations:** IDB CAPITAL CORP. WAS ALLEGED TO HAVE VIOLATED NASD RULES 2110,3010,6230(A),6230(C)(8),6230(E). SPECIFICALLY, IDB CAPITAL CORP. ALLEGEDLY FAILED TO REPORT TO THE NASD'S TRADE REPORTING AND COMPLIANCE ENGINE ("TRACE"): TRANSACTIONS WITHIN 45 MINUTES OF THE TIME OF EXECUTION; CERTAIN TRANSACTIONS IN THEIR ENTIRETY; AND THE CORRECT TIME OF TRADE EXECUTION FOR TRANSACTIONS IN TRACE-ELIGIBLE SECURITIES. IDB CAPITAL ALSO ALLEGEDLY FAILED TO PROVIDE ADEQUATE SUPERVISION CONCERNING TRACE REPORTING.

**Initiated By:** NATIONAL ASSOCIATION OF SECURITIES DEALERS.

**Date Initiated:** 04/25/2006

**Docket/Case Number:** 20050001789-01

**Principal Product Type:** Other

**Other Product Type(s):** TRACE-ELIGIBLE SECURITIES.

**Principal Sanction(s)/Relief Sought:** Censure

**Other Sanction(s)/Relief Sought:** FINE OF \$20,000.

**Resolution:** Acceptance, Waiver & Consent(AWC)

**Resolution Date:** 04/25/2006

**Sanctions Ordered:** Censure  
Monetary/Fine \$20,000.00

**Other Sanctions Ordered:**

**Sanction Details:** WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, IDB CAPITAL CORP. EXECUTED THE ACCEPTANCE, WAIVER AND CONSENT. SANCTIONS.

Disclosure Events for Non-Registered Control Affiliates



All firms registered to sell securities or provide investment advice are required to disclose regulatory actions, criminal or civil judicial proceedings, and certain financial matters in which the firm or one of its control affiliates has been involved. For your convenience, below is a matrix of the number and status of disclosure events involving this brokerage firm or one of its control affiliates. Further information regarding these events can be found in the subsequent pages of this report.

	Pending	Final	On Appeal
Regulatory Event	0	1	0



## Disclosure Event Details

### Regulatory - Final

#### Disclosure 1 of 1

<b>Reporting Source:</b>	Firm
<b>Affiliate:</b>	ISRAEL DISCOUNT BANK OF NEW YORK
<b>Current Status:</b>	Final
<b>Allegations:</b>	THE ALLEGATIONS INCLUDED: FAILURE OF IDBNY TO OPERATE WITHOUT EFFECTIVE MANAGEMENT SUPERVISION AND BOARD OVERSIGHT, WHICH FAILURE CONTRIBUTED TO VIOLATIONS OF THE BANK SECRECY ACT, THE FEDERAL DEPOSIT INSURANCE CORPORATION RULES AND REGULATIONS, AND THE USA PATRIOT ACT. IDBNY ALLEGEDLY FAILED TO ADOPT POLICIES AND PROCEDURES TO IDENTIFY AND MONITOR HIGH-RISK ACCOUNTS AND FAILED TO FILE SUSPICIOUS ACTIVITY REPORTS.
<b>Initiated By:</b>	FEDERAL DEPOSIT INSURANCE CORPORATION, BANKING DEPARTMENT OF THE STATE OF NEW YORK, NEW YORK COUNTY DISTRICT ATTORNEY'S OFFICE.
<b>Date Initiated:</b>	03/01/2005
<b>Docket/Case Number:</b>	FDIC-05-232B
<b>Principal Product Type:</b>	No Product
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	Cease and Desist
<b>Other Sanction(s)/Relief Sought:</b>	IDBNY ENTERED INTO A SETTLEMENT AND COOPERATION AGREEMENT WITH THE NEW YORK COUNTY'S DISTRICT ATTORNEY'S OFFICE AND CEASE AND DESIST ORDERS WITH THE FEDERAL DEPOSIT INSURANCE CORPORATION AND THE BANKING DEPARTMENT OF THE STATE OF NEW YORK. THESE AGREEMENTS REQUIRED THE PAYMENT OF MONETARY PENALTIES (DESCRIBED BELOW).
<b>Resolution:</b>	Other
<b>Resolution Date:</b>	12/15/2005
<b>Sanctions Ordered:</b>	Monetary/Fine \$25,000,000.00 Cease and Desist/Injunction
<b>Other Sanctions Ordered:</b>	
<b>Sanction Details:</b>	IDBNY PAID \$8.5 MILLION TO THE DISTRICT ATTORNEY'S OFFICE. CIVIL PENALTIES OF \$16.5 MILLION WERE LEVIED BY THE NEW YORK STATE



BANKING DEPARTMENT AND THE FDIC AGAINST IDB NY. \$4.5 MILLION WAS  
WAIVED; THUS, IDB NY PAID \$12 MILLION TO THE FDIC AND NEW YORK  
STATE BANKING DEPARTMENT.

## End of Report



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