



Customer Relationship Summary - Effective January 2023

IDB Capital Corp (“IDBC”) is a broker-dealer registered with Securities and Exchange Commission (SEC). We offer a variety of investment products and services to help clients meet their financial goals. This Client Relationship Summary (CRS) is designed to provide answers to many common questions and help you start a conversation with our financial professionals.

You can access additional information about our firm at idbcapital.com. Visit investor.gov/CRS, a site created by the SEC, for free and simple tools to help you research firms and financial professionals. You’ll also find educational materials about broker-dealers, investment advisers and investing.

Important information for retirement account customers: Department of Labor regulation requires that we provide retirement account customers with an affirmative statement that IDBC is acting in a fiduciary capacity with regard to your retirement accounts. A copy of the affirmative statement is included with the new account documents.

What investment services and advice can you provide me?

Our retail investor brokerage services include the buying and selling of securities and investment products, generally for taxable, retirement and trust accounts. There is no minimum investment to open an account, but some investment options may require a minimum investment.

Through our clearing firm, Pershing, LLC (“Pershing”), you will receive trade confirmations and account statements on a quarterly or monthly basis. For additional information, see www.idbcapital.com

We may recommend investments, or you may select them, but the ultimate decision regarding an investment strategy or purchase or sale of an investment will be yours. As a firm, we do not provide ongoing monitoring of your account however, your financial professional will review your account before a recommendation is made to ensure we act in your best interest.

CONVERSATION STARTER: Ask your financial professional:

Given my financial situation, should I choose a brokerage service? Why or why not?

How will you choose investments to recommend to me?

What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?

What fees will I pay?

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

Transaction-Based Fees - Generally, when you transact in a brokerage account, you will pay a transaction-based fee known as a commission, markup, markdown, or sales charge. Transaction-based fees present certain conflicts of interest. Each time you place a trade, you are generally charged a transaction-based fee. This means you are charged more when there are more trades in your account, therefore IDBC may have an incentive to encourage you to trade more often.

Product-Level Fees - Certain investments, such as mutual funds, exchange-traded fund, or a private fund (e.g., private equity fund, hedge fund), impose additional fees that could reduce the value of your investment over time. Also, with certain investments you may have to pay fees, such as surrender charges, when you sell the

investment. Private funds may also charge a performance-based fee; based upon capital appreciation, capital gain, or other performance of the fund.

Custody Fees - Custody fees are charged for safekeeping your investments. Depending on the decision you made when opening your brokerage account, your investments are either held at Pershing, our affiliated parent bank, IDB Bank or another broker-dealer or Bank. Depending on the type of account, IDB Capital may charge a custody fee.

CONVERSATION STARTER: Ask your financial professional:

Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

What are your legal obligations to me when providing recommendations? How else does your firm make money and what conflicts of interest do you have?

When IDBC provides you with a recommendation, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means:

- In a brokerage account, we make money by buying and selling securities and investment products for you. Because we are paid when you complete a transaction, we have an incentive to encourage you to make larger investments and more frequently.
- Certain products, such as mutual funds, include continuing payments to us, known as “trails”. We may have an incentive to recommend investment products that include trails, even if other investments available to you have lower costs or may perform better
- We may recommend products issued by third parties and receive compensation or other types of non-monetary benefits from them in return for recommending products they issue.

CONVERSATION STARTER: Ask your financial professional:

How might your conflicts of interest affect me, and how will you address them?

How do your financial professionals make money?

The majority of our financial professional’s work for both IDBC and IDB Bank (our affiliated parent company) for a salary and an annual bonus. They may earn more credit from some products and services than from others. Our financial professionals have an incentive to recommend an investment in which they receive more credit to their annual goals.

Do you or your financial professionals have legal or disciplinary history?

Yes. Visit Investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

CONVERSATION STARTER: Ask your financial professional:

As a financial professional, do you have any disciplinary history? For what type of conduct?

Additional Information - For additional information about our brokerage services or to obtain a copy of this form, please call 212- 551-8800 and ask to be directed to the Compliance Department.

CONVERSATION STARTER: Ask your financial professional:

Who is my primary contact person? Is he or she a representative of an investment adviser or broker-dealer? Who can I talk to if I have concerns about how this person is treating me?