



# 1st Discount Brokerage

**Part 2B of Form ADV: *Firm Brochure***

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03.30.2012

This brochure supplement provides information about John D. McHugh II that supplements the 1<sup>st</sup> Discount Brokerage brochure. You should have received a copy of that brochure. Please contact us at 561-515-3200 if you did not receive 1<sup>st</sup> Discount Brokerage's brochure or if you have any questions about the contents of this supplement.

Additional information about [name of supervised person] is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Educational Background and Business Experience**

In addition to holding FINRA series 7, 66 and 24 licenses, Mr. McHugh has earned a graduate degree in Business from American International College. Mr. McHugh has been serving clients in the financial industry since 1976. Mr. McHugh has been a registered representative and investment advisor representative with 1<sup>st</sup> Discount Brokerage (1DB) since August of 2002. Mr. McHugh is 67 years old.

## **Disciplinary Information**

There currently are no legal or disciplinary events disclosed for Mr. McHugh that are material to your evaluation of Mr. McHugh.

## **Other Business Activities**

Mr. McHugh is a registered representative of 1<sup>st</sup> Discount Brokerage, Inc., an SEC and FINRA registered broker/dealer. He also is an owner and manager of a laundry mat facility.

## **Additional Compensation**

Mr. McHugh currently does not receive additional compensation for advisory services other than compensation described in supplements provided by 1<sup>st</sup> Discount Brokerage.

## **Supervision**

Mr. McHugh's investment advisory activities, including the advice he provides to clients, is regularly supervised by 1<sup>st</sup> Discount Brokerage (1DB). The following supervisory procedures are utilized for on-going reviews of Mr. McHugh's advisory business:

- All customer's account information is reviewed and maintained by 1DB;
- All trades in customers' accounts are reviewed daily;
- Account statements for all customers' accounts are reviewed on a monthly basis;
- Fees charged for advisory services are reviewed when charged;
- Accounts are reviewed regularly (at least annually) to determine suitability of transactions and appropriateness of fee structure for each advisory customer.

## **Requirements for State-Registered Advisers**

1. Mr. McHugh has not been found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
  - (a) an investment or an investment-related business or activity;
  - (b) fraud, false statement(s), or omissions;
  - (c) theft, embezzlement, or other wrongful taking of property;

- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

2. Mr. McHugh has not been found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
  - (a) an investment or an investment-related business or activity;
  - (b) fraud, false statement(s), or omissions;
  - (c) theft, embezzlement, or other wrongful taking of property;
  - (d) bribery, forgery, counterfeiting, or extortion; or
  - (e) dishonest, unfair, or unethical practices.
3. Mr. McHugh has not been the subject of a bankruptcy petition.