



Frequently Asked Questions

What is eConnectDirect and why was it developed?

Tailored to the institutional client, eConnectDirect is an online platform that aggregates 1000's of fixed-income offerings in order to effectively search, compare and transact across the bond and CD marketplace. eConnectDirect is designed to provide transparency, depth-of-market and efficiencies throughout the lifecycle of a transaction and the management of outstanding positions. eConnectDirect was rolled-out 4Q 2011.

Who owns eConnectDirect?

Multi-Bank Securities, Inc. (MBS) is the sole owner of eConnectDirect.

How long has Multi-Bank Securities, Inc. been in business?

MBS has been a registered broker/dealer for over 25 years (1988).
Firm CRD - 22098.

What is the relationship between Multi-Bank Securities, Inc. and eConnectDirect?

MBS is the executing broker/dealer of record on every transaction.
MBS also provides all development and technical support related to eConnectDirect.

Is there a fee associated with eConnectDirect?

There is no monthly subscription fee for eConnectDirect and no transaction fees for any bond or certificate of deposit purchases.

If there are no fees, how does Multi-Bank Securities, Inc. get compensated?

MBS is compensated one of two ways: Either the issuer is offering a selling concession to distribute their new issue CD or security or a mark-up/mark-down is applied to the offering (or bid) price, also known as the bid/ask spread. Either way, by utilizing eConnectDirect no additional transaction fees are charged.

What fixed income asset classes are available on eConnectDirect?

- Certificates of Deposit (CDs)
- U.S. Agencies (GSEs)
- Treasuries
- Corporate Bonds
- Municipal Bonds

Where do you get this inventory? Are all the CDs and bonds listed on eConnectDirect owned by Multi-Bank Securities, Inc.?

Individual inventory offerings are from multiple sources providing access to trillions of dollars in debt securities from hundreds of dealers. It is not unusual to see a particular CUSIP being offered by multiple dealers at different quantities & prices.

MBS is a primary underwriter of U.S. Agencies and CDs and those offerings are included.

Are prices on eConnectDirect executable offers?

eConnectDirect uses multiple resources, technologies, providers and redundancies to deliver the most up-to-date pricing available on all of its published offerings. This represents hundreds of CD issuers, thousands of bonds and trillions of outstanding debt. eConnectDirect regularly updates its pricing throughout the day to deliver you a reliable resource for gathering timely information and executing in the most efficient way with institutional pricing. Additional functionality allows all users to request a quote on any CUSIP (Bid or Offer).

How does a customer get started with eConnectDirect?

First, an introductory webinar is scheduled upon request. The purpose is to discuss and demonstrate the functionality and tools of eConnectDirect as applicable to your needs.

Once MBS is accepted as an approved broker/dealer, getting set up is quick and easy. We require the following four items:

- User Agreement: Defines user access, authorized users and terms & conditions
- Safekeeping or Custody location for bond purchases. Cash, DVP and Prime Brokerage Accounts can be accommodated
- Signed resolution: Only those on the resolution are permitted to submit orders.
- Tax ID Number

Do I need to approve any other dealers to transact on eConnectDirect?

You only need to approve Multi-Bank Securities, Inc.

There are multiple people involved in the trade process. How does eConnectDirect address different roles?

Customized settings allow for multiple users to have different levels of access. Defined “Permissions” and “Notifications” allow you to effectively communicate account activity and limit trading activity to only authorized users.

Can I sell bonds using eConnectDirect?

Yes. eConnectDirect has a “Request a Quote” function that allows you to sell a bond you currently own. By simply providing the CUSIP, quantity and proposed settlement date, a bid will be forwarded from our trading desk.

How will eConnectDirect help me manage my positions/portfolios?

eConnectDirect provides many tools and automated services to enhance the way you manage your trades, individual positions and portfolio as a whole. These include, but are not limited to:

- FDIC Insurance Tracking (aka, Scrub)
- Unit Price Valuation
- Portfolio activities and balances
- Trade processing, communication and documentation
- Reports: Accrued Interest, Expected Cash Flow, Maturity Distribution, and more...

Can I use eConnectDirect and continue to use my current broker(s)?

eConnectDirect was designed so that you can use it as your sole source for information and transactions or in conjunction with any other current relationships you have.

I want to safekeep at multiple locations. Does eConnectDirect support that?

Absolutely. eConnectDirect allows for multiple accounts. With one login you are able to process trades across all of your accounts.

How does eConnectDirect help me manage my FDIC (NCUA) insurance coverage limits?

eConnectDirect provides a comprehensive insurance analysis (“scrub”) to continually compare available inventory against existing holdings. Since no two investors typically hold the same bank CDs, your view of the CD market is specific to your institution only. Through a variety of resources, eConnectDirect tracks bank mergers, acquisitions and failures to deliver a safe and reliable method to easily purchase CDs. You can also load existing CDs purchased into eConnectDirect allowing you to run an insurance analysis on-demand.

Is eConnectDirect secure?

The eConnectDirect website is completely based on SSL (HTTPS://) security. All access is password protected with user security profiles to ensure identity management and control should passwords be forgotten or need to be reset. MBS has independent third parties perform regular vulnerability and penetration testing to verify system and security integrity. Additional details related to website security are available upon request.

Where is eConnectDirect's customer service department located?

Southfield, Michigan.

Additionally, each institutional account is assigned a FINRA registered MBS Account Executive to be your main point of contact and assist with trade recommendations, executions and customer / technical support.

Once I sign up do I have to transact on the site?

Transactions can be placed electronically through the platform or with your MBS Account Executive. Regardless of whether you conduct a transaction online or on the phone, all trade processing and documentation will be available on eConnectDirect.