

December 1, 2022

Multi-Bank Securities, Inc. Customer Relationship Summary

Multi-Bank Securities, Inc. (“we”, “us”, the “Firm”, and “MBS”) is registered with the Securities and Exchange Commission (“SEC”) as a broker-dealer. We offer brokerage services to institutional investors. It is important for the retail investor to understand that brokerage and investment advisory services and fees can be different.

Free and simple tools are available to research firms and financial professionals at www.investor.gov/crs, which also provides educational materials about broker-dealers, investment advisers, and investing.

What investment services and advice can you provide me?

We offer brokerage services to retail investors. The principal services will be limited to the recommendation to open a securities account for the purpose of buying and selling fixed-income securities. We will not make recommendations regarding the purchase or sale of securities to retail investors. We will not monitor retail investors’ investments; this service is not offered as a part of our standard services.

The retail investor makes the ultimate decision regarding the purchase or sale of investments. We do not make available any proprietary products, and limit your menu of products or types of investments to fixed-income securities. There is no minimum amount required for retail investors to open or maintain an account or establish a relationship. The Firm’s client base includes banks and credit unions, governmental entities, corporations, insurance companies, investment advisers, charitable organizations, and high-net-worth individuals, among others. Please visit www.mbssecurities.com and click on our Investing tab for a full description of your investing choices.

What fees will I pay?

Retail investors will not pay principal fees and costs for brokers services, they are not assessed at any frequency and therefore do not create conflicts of interest. MBS does not have transaction-based fees. Retail investors will not be offered any services where a fee is charged indirectly by our clearing firm, Pershing LLC (Pershing), a BNY Mellon company. An example of this would be interest on pledging assets held in a separate account. This service is not available to the retail investor. Information about Pershing’s fees is available at www.pershing.com.

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.

You do not pay any fees and costs to MBS as a retail investor. To see a list of appropriate fees, please visit www.mbssecurities.com/disclosures.

Conversation Starter

Given my financial situations, 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?

Conversation Starter

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 we provide 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 recommendations we provide you.

Here are some examples to help you understand what this means. We limit our recommendations to you to the opening of a securities account to establish a brokerage relationship. That particular relationship recommendation would allow MBS to potentially earn a profit. Our motivation to earn a profit on transactions in your account might not be in your best interest. You might be better served by not opening an account with MBS. The way MBS makes money is principal trading. Investments we buy from a retail investor and/or investments we sell to a retail investor for or from one of our own accounts creates the incentive to make a profit and have income. Because we earn compensation in principal transactions, we have an incentive to trade with you on a principal basis. Our compensation can be items such as markups, markdowns, underwriting discounts, dealer concessions and spreads.

How do our financial professionals make money?

The financial professionals servicing your accounts are compensated via a percentage of the mark-up on purchases you make or mark-down on securities you sell to MBS, where MBS acts as principal trading on behalf of its own accounts. Time and complexity required to meet your needs might form the basis of a reasonably higher markup or markdown. Your registered representative may have an incentive to recommend opening a brokerage account based on information you provide concerning the types of fixed-income securities you intend to sell or purchase. MBS does not provide non-cash compensation.

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

Yes. Visit www.investor.gov/crs for a free and simple search tool to research the Firm and our registered representatives.

Additional Information

You can find additional information about our brokerage services and request a copy of the relationship summary by visiting our website www.mbssecurities.com or by calling (248) 291-1053.

Member of FINRA & SIPC; MSRB Registered.

Conversation Starter

Ask our financial professional:
How might your conflicts of interest affect me, and how will you address them?

When we act as principal, on bond sales and purchases with you, using our own account, or act as an underwriter or dealer, the price of your security has our compensation embedded within. The markups or markdowns will have a sales credit that MBS owes to your registered representative. The markups and markdowns will vary based on the type of fixed-income security and the remaining time until maturity. Based on information you provide before opening an account, we may have more incentive to recommend a brokerage account, motivated by the potential for compensation.

Conversation Starter

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

Conversation Starter

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