

1. About Us

Canada-Israel Securities, Limited (CISL) is here to assist you in your purchase of Israel bonds. CISL is registered as an Exempt Market Dealer whose primary regulator is the Ontario Securities Commission and securities regulators or securities regulating authorities in other provinces of Canada. Israel Bonds are issued by the State of Israel, a connected issuer and related issuer of CISL.

2. The Products we Offer

The only products that CISL offers are sovereign bonds issued by the State of Israel (Israel Bonds). As an exempt market dealer, CISL offers dealer services to clients who purchase Israel Bonds through it, but does not charge fees for acting in that capacity.

All purchases and investment decisions are made by you. You are responsible for investment decisions and you must provide specific instructions or authorization for each purchase of Israel Bonds. Your account is not a discretionary or managed account.

3. Important Client Information

Obtaining and maintaining correct Know-Your-Client (KYC) information on you is a regulatory requirement. We also have a responsibility to demonstrate to our regulators that we have determined, prior to your purchase, that your purchase of Israel bonds is suitable investment for you, having regard to your investment needs and objectives, your financial status, trading experience and investment knowledge and your risk tolerance. To accomplish this, we will need to collect information from you, including but not limited to, information required to:

- verify your identity;
- assess your financial circumstances (including details of your employment, annual salary and net worth) and your trading knowledge and experience;
- ascertain whether you are an insider or controlling shareholder of a public company or a politically exposed person;
- ascertain, if you are opening an entity account, the nature of the business and specifics of any holdings and the identities of any individual who owns (directly or indirectly) or controls more than 25% of the corporation's shares; and
- confirm that the opening of a CISL account is suitable based on the information provided.

If, at any time in the future, you make any changes that could affect (in particular) your income, investment objectives, risk tolerance, net worth or regulatory obligations, please let us know so we can ensure that the information we have on you is up to date. When CISL becomes aware of a material change to your KYC information, we are required to demonstrate to our regulators that your account is still appropriate based on the revised information. If you have an active purchased Israel bonds from us, at a minimum, CISL will request that you confirm the information you have provided to us every three years or such shorter period as required by applicable securities laws.

4. Risks Associated with Investing in Our Products

Securities laws require us to provide all clients with a description of risks that you should consider when making an investment decision. Risks associated with an investment in Israel Bonds are set out in the offering documents posted on CISL's website.

5. Leverage Risk Disclosure

The use of leverage may not be suitable for all investors. Using borrowed money to finance the purchase of securities involves greater risk than using cash resources only. If you borrow money to purchase securities, your responsibility to repay the loan and pay interest as required by its terms remains the same even if the value of the securities purchased declines. This use of leverage can result in investment losses which could exceed the amount of the money invested in the purchase of securities.

You are not permitted to pledge your bonds to secure a loan.

6. Conflicts of Interest

As a registered exempt market dealer, CISL may occasionally face conflicts between its own interests and those of its clients. In the course of our usual activities, we assume a responsibility to act fairly, honestly and in good faith with our clients. We have policies and procedures in place to address the handling of conflicts of interests. Under these policies and procedures, we avoid material conflicts prohibited by law as well as conflicts that we cannot effectively control.

In all other situations when our interests may compete with yours, your interest is always given priority by our acting in one of two ways:

- We control or manage acceptable conflicts by taking such actions or instituting procedures that will adequately control or manage the conflict of interest.
- We disclose information about any remaining conflicts to you so that when you evaluate our recommendations and actions, you can assess independently if conflicts are significant for you.

Canadian securities laws require securities dealers prior to trading with their customers or clients, to inform them of the relevant relationships and connections with the issuer of the securities. The definition of the terms "related issuer" and "connected issuer" can be found in National Instrument 33-105 Underwriting Conflicts. The Israel Bonds purchased are issued by the State of Israel, a related issuer of CISL under Canadian securities laws. Currently, there are no related or connected issuers of CISL other than the State of Israel.

7. Fee Structure

CISL does not charge purchasers or holders of Israel Bonds mark-ups or mark-downs, commissions or other service charges for purchasing or holding Israel bonds.

8. Content and Frequency of Our Reporting to You

Confirmation of transactions. You will be provided with written confirmation of the details of every purchase for your account by mail.

Account statements. You will be provided with an annual statement.

9. Complaint Resolution

If you have a complaint, please contact us by email, telephone or mail. We encourage you to take the additional time to put any complaint or other concern you have in writing. We will do everything we can to address your problem or concern quickly, efficiently and professionally. We will promptly undertake an initial review of your concern or complaint and will either attempt to deal with or resolve it directly with you or we may refer you to the Ombudsman for Banking Services and Investments (OBSI), an independent dispute-resolution service that investigates unresolved disputes at no charge to you. CISL must, as soon as possible, provide you with a written acknowledgement of the complaint and the prescribed information. Generally, complaints must be resolved within 90 days. If you remain unsatisfied with our response, you can forward your complaint to the OBSI. OBSI must be contacted within 180 days of receiving a final response to the Subscriber's complaint. If you are a Québec resident, you may also consider the free mediation service offered by the Autorité des marchés financiers. Please refer to our Guide to Complaints Process and Independent Dispute Resolution Service posted on the CISL website at israelbonds.ca

10. Benchmarks

You may choose to assess the performance of your investment in Israel Bonds by comparing it to an investment performance benchmark. Benchmarks show the performance over time of a particular group of securities. An appropriate benchmark for comparison with your investment in Israel Bonds should reflect the same type of securities. Benchmarks should be used as a general guide only. Keep in mind that your rate of return will differ from the benchmark return based on when you purchased the securities, the income that those securities have earned, the timing of any deposits or withdrawals that you have made, and tax considerations. CISL does not provide benchmarks.

11. Contact Us

If you require any further information relating to your investments, account or any other matter of concern to you in your investment relationship with us, please contact us at 1.866.543.3351 or helpdesk@israelbonds.ca

12. CISL Account Documents

In connection with your new (updated) account(s) the following documents are available at Israelbonds.ca

- Account Opening Form
- Investment Form
- Relationship Disclosure Information
- Privacy and the Protection of Personal Information
- An Investor's Guide to Complaints Process and Independent Dispute Resolution.