



Dear Client,

Under Section 16 of the Provisions of the Regulation of Investment Advice, Investment Marketing and Investments Portfolio Management Law, 5755-1995 (the "**Law**"), Altshuler Shaham Investment Portfolio Management Ltd. (the "**Company**"), as a portfolio manager engaged in management of investment portfolios or investment marketing, is entitled within the framework of its investment marketing or portfolio management activities, as applicable, to prefer a financial asset with which it is affiliated, over other financial assets similarly suitable to the client and with which it has no affiliation, as long as all disclosure requirements with regard to the client, have been fulfilled.

The Company is an Affiliated Corporation to Altshuler-Shaham Pension and Provident Funds Ltd., an Institutional Entity, as defined by law, and is also an Affiliated Corporation to Altshuler-Shaham Mutual Funds Management Ltd. (the "**The Fund Manager**").

Thus, The company is linked to The Mutual Funds that are managed by The Fund Manager and to The Provident Funds and Pension Funds that are managed by Altshuler-Shaham Pension and Provident Funds Ltd.

The list of mutual funds and provident funds, managed by the Fund Manager and Altshuler Shaham Provident Funds and Pension Ltd, updates regularly in the Company's website.

As part of the portfolio managing, the Company combines mutual funds, managed by the Fund Manager, that as of today manages 63 mutual funds¹, as listed below:

Altshuler Shaham (2b) Following Portfolio 3 – Discount Bank; Altshuler Shaham (2b) Following Portfolio 2 – Discount Bank; Altshuler Shaham (3d) Following Portfolio 4 – Discount Bank; Altshuler Shaham (2c) 75 - 25 – Mutual Fund; Altshuler Shaham (1b) 90-10 - Mutual Fund; Altshuler Shaham (3c) 35-65; Altshuler Shaham (2b) 15-85; Altshuler Shaham (0a) Government Bonds Without Stocks; Altshuler Shaham (0a) A And Higher Rated Corporate Bonds 1-4 Years; Altshuler Shaham (0b) Solid Portfolio Without Stocks; Altshuler Shaham (0b) Stocks Free Portfolio; Altshuler Shaham (0b)(!) Corporate Bonds Stocks Free- Mutual Fund; Altshuler Shaham (4b) Protected Foreign Currency Global Equity; Altshuler Shaham (1a) Government Bonds + 10%; Altshuler Shaham (0b)(!) Protected Foreign Currency Global Bonds; Altshuler Shaham (4d) Flexible; A.S Smartbeta Tracking (4A) A.B USA Low Volatility Foreign Currency Hedged; Altshuler Shaham (4d) Tourism And Leisure; Altshuler Shaham (00) Tel Bond; Altshuler Shaham (4d) S&P 500; Altshuler Shaham (00) Shiklit Medium Term Mutual Fund; A.S Smartbeta Tracking (4a) A.B Germany Low Volatility Foreign Currency Hedged; Altshuler Shaham (00) Ksafim Financial Contribution For The Community; Altshuler Shaham (1a) Makam Plus - Mutual Fund; Altshuler Shaham (4b) TA Mid Cap Stock Picking; Altshuler Shaham (0b)(!) Bonds, Stocks Free Portfolio- Mutual Fund; Altshuler Shaham (4d) The Green Fund- Mutual Fund; Altshuler Shaham (4b) Sufa Equity – Mutual Fund; Altshuler Shaham (6f) – Options Fund; A.S SmartBeta Tracking (4A) A.B Europe Foreign Currency Hedged; A.S Smartbeta Tracking (4A) A.B TA 125 Low Volatility; A.S Smartbeta Tracking (4A) A.B TA 125 Multi Factor; A.S Smartbeta Tracking (2A) Composite Bond (90%) And Equity (10%) Monthly; A.S smartbeta Tracking (3A)

¹ The above information is not to be viewed as a commitment by Altshuler Shaham to achieve excess yields. The above are not to be viewed as a proposal for purchasing funds units. The purchase of funds units is based on the fund's annual report prospectuses, accurate to the day of the purchase and immediate reports at the time of the purchasing, and immediate reports. The above are not to be viewed as a substitute for marketing of investments tailored to customer's needs. The funds are tax exempted. Adding exclamation mark (!) to the fund name means that the fund may be expose to corporate bonds and/or bond issued by a country other than Israel, which is not in rate in investment rating (bond which are rated lower than BBB- or equivalent to it, or is not rated at all) in a rate that exceeds the exposure rate to shares.

Comp Bond (70%) and Eq (30%) Monthly Frgn Crncy Hdgd; A.S Smartbeta Tracking (4A) Comp Bond (50%) And Eq (50%) Monthly Frgn Crncy Hdgd; A.S Smartbeta Tracking (00) Corporate Momentum (A-) UP A.B; Altshuler Shaham (00) Medium CPI Linked Mutual Fund; Altshuler Shaham (00) Floating Interest - Mutual Fund; Altshuler Shaham (4b) Developed Markets Protected Foreign Currency; Altshuler Shaham (Ob)(!) Global Bonds Protected Foreign Currency; Altshuler Shaham (2d) Following Global Portfolio 2 – Fibi Bank; Altshuler Shaham (Oo) Shiklit Stocks Free – Mutual Fund; Altshuler Shaham (0d) Global Bonds Stated In Usd - Mutual Fund; Altshuler Shaham (00) Index Linked Government Bonds Stocks Free – Mutual Fund; Altshuler Shacham (1b)(!) Opportunity Bonds; Altshuler Shaham (40) Yeter; Altshuler Shaham (0d)(!) Global Bonds Stocks Free-Mutual Fund; Altshuler Shaham (2b) Following Portfolio 2 – Fibi Bank; Altshuler Shaham (1a) 10/90 Developed Mrkts Bonds Prtfllo Prctcd Foreign Currncy; A.S Smartbeta Tracking (4A) Composite Large Cap TA Monthly; Altshuler Shaham (2a) 20/80; Altshuler Shaham (2b) Government + 15%; A.S Smartbeta Tracking (00) Government A.B; A.S Smartbeta Tracking (4A) A.B USA Foreign Currency Hedged; Altshuler Shaham (4a) TA 125; Altshuler Shaham (3c) 50-50; Altshuler Shaham (4b) Real Estate; Altshuler Shaham (1d) Global Bonds Dollar; Altshuler Shaham (0a) Gse Corporate Bond Analysis; Altshuler Shaham (0d) USA Government Up To 2 Years Dollar; Altshuler Shaham (0d) USA Government Up To 2 Years Stated In \$; A.S Smartbeta Tracking (4A) A.B USA Technology Foreign Currency Hedged; A.S Smartbeta Tracking (4A) A.B USA Healthcare Foreign Currency Hedged.

In addition to that, The Fund Manager qualifies as The Representative and A Distributer of BlackRock (Luxembourg) S.A. Funds, and BlackRock Asset Management Ireland Ltd. ("The Foreign Fund Manager"), and as such, is linked to The Financial Assets that are managed by them.

Also, As of this day, The Israel Securities Authority has approved the Funds listed below to be offered In Israel:

Blackrock Global Funds – Asian Dragon Fund Class A2 USD; Blackrock Global Funds – Euro Market Fund Class A2 EUR; Blackrock Global Funds – Fixed Income Global Opportunities Fund Class A2 USD; Blackrock Global Funds – World Technology Fund Class A2 USD; Blackrock Global Funds – Global Allocation Fund Class A2 USD.

Management fees on the amount invested in the mutual fund units managed by us are charged separately according to the management fees detailed in the particular fund prospectus as published to the public and in the immediate reports. In no case will double management fees be charged.

Altshuler-Shaham Provident Fund Ltd. manages the provident funds and pension funds detailed below:

Funds operated in Bank Leumi le-Israel: Altshuler Shaham Provident; Altshuler-Shaham Supplementary Training; Altshuler Shaham Severance Pay, Altshuler Shaham Saving Plus, Altshuler Shaham Saving For Every Child.

Pension Funds operated in Gemel Tiful Ltd.; Altshuler Shaham Pension General;
Altshuler Shaham Comprehensive Pension;

We wish you and ourselves continuing successful and fruit bearing activity.

Always at your service.

Altshuler Shaham Investment Portfolio Management Ltd.

Last updated: **20/02/2019**

The fund name includes the exposure profile of the fund to shares and foreign currency, as follow:

Maximum exposure rate (in absolute value)	Foreign currency	Shares
0%	0	0
10%	A	1
30%	B	2
50%	C	3
120%	D	4
200%	E	5
+200%	F	6