

### ביצוע וסליקת פעולות אצל ברוקרים/משמורנים

ביצוע הוראות בניירות ערך זרים מותנה באישור הברוקרים/משמורנים לצורך שליחתן לבורסה הרלבנטית. ייתכן שלפי מדיניות המשמורנים שעימם עובד הבנק, קיימת מניעה להחזיק, לסחור או לסלוק נייר ערך כזה או אחר, ובמקרה זה לא תהיה אפשרות ללקוחות הבנק להחזיק או לסחור בנייר.

ככל שהבנק יקבל מהמשמורנים הודעות לעניין מדיניות החזקה או סליקה של ניירות ערך זרים, הודעות אלה יפורסמו באתר הבנק, והאפשרות לסחור/לסלוק סוגי ניירות ערך זרים תתעדכן בהתאם.

בנוסף, במקרים בהם תוגבל האפשרות על ידי המשמורן/הברוקר לבצע פעולות בניירות ערך ספציפיים, הבנק יפרסם הודעה על כך באתר לאחר קבלתה, תוך עדכון במידת הצורך ללקוחות המחזיקים בניירות ערך אלו.

### הודעות מברוקרים/משמורנים שהתקבלו בבנק –

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## **Update: Cannabis Related Investments**

In recent years, several international jurisdictions have relaxed cannabis<sup>1</sup> enforcement or have legalized cannabis for medical and/or recreational purposes. In EMEA, while laws vary by jurisdiction, an increasing number recognize certain medicinal cannabis production, supply and use as being lawful or tolerated. In Canada, medicinal and recreational use is legal.

Cannabis-related business (CRB) activity in certain circumstances remains illegal in many jurisdictions, including at the U.S. federal level.

In response to recent legislation changes, last year BNY Mellon rolled out the Tier I Global CRB Policy, which notes that “Permitted Business Activities” may be subject to additional regional and local restrictions based on applicable legal and regulatory requirements. These activities include services when provided for the Company’s clients in relation to Permitted Securities.

Those securities that are permitted include Securities issued by CRBs that are listed on the New York Stock Exchange (NYSE), National Association of Securities Dealers Automated Quotations (NASDAQ), the Toronto Stock Exchange (TSX), and the TSX Venture (TSX-V), and such other securities as may be approved from time to time by our internal governance committees.

In EMEA, the Tier II EMEA CRB Policy has undergone legal and compliance reviews and will have a effective date of July 1, 2020. This policy is set to align with the previously communicated global policy; except where there are further restrictions under local law.

At this point in time, the only additional restrictions specific to the EMEA policy are:

- In relation to the UK:
  - BNY Mellon legal entities and branches established in the UK will only support Permitted Business Activity in relation to Permitted

Securities of a CRB solely conducting activities in relation to medicinal cannabis under license in the UK and/or activities solely in relation to medicinal cannabis outside of the UK that would be capable of licensing in the UK.

- In relation to the Netherlands:
  - The Bank of New York Mellon SA/NV, Amsterdam Branch will only support Permitted Business Activity in relation to Permitted Securities for a CRB solely conducting activities in relation to 'Exempt Cannabis' or a CRB solely conducting activities in another jurisdiction that would be legal if undertaken in the Netherlands.

CRB securities that were held with BNY Mellon prior to the effective date of the policy, which remain under the same beneficial owner, will continue to be serviced by BNY Mellon unless required to be divested by our internal governance committee. However, additional CRB securities that do not meet the requirements outlined in this notice will not be accepted.

BNY Mellon continues to monitor trends in CRB transactions and may impose additional restrictions or require additional information in the future. BNY Mellon also has the right to reject any deposit, regardless of the price or market.

Please defer to your Relationship Manager with any other questions related to this important policy update

<sup>1</sup>For the purpose of this communication the terms Cannabis and Marijuana are used interchangeably.

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## **Global Economic Sanctions Compliance Communication - Executive Order 13959**

Dear Client,

The Bank of New York Mellon, together with its affiliates (collectively, "BNY Mellon" or the "Company"), is writing to provide an update on the Company's activities following the promulgation of [Executive Order 13959](#) on November 12, 2020 (the "Order") introducing sanctions on certain named Chinese military companies. The Order introduces certain prohibitions related to transactions in publicly traded securities of certain entities identified in accordance with or consistent with Section 1237 of the National Defense Authorization Act for Fiscal Year 1999, as amended (collectively, the "Sanctioned Entities"), or any securities that are derivative of, or are designed to provide investment exposure to, the securities of such Sanctioned Entities.

Importantly, the Order will affect transactions in the publicly traded securities of 31 Sanctioned Entities beginning 9:30 a.m. eastern standard time on January 11,

2021. In addition, as of December 3, 2020, the Order will also affect transactions in the publicly traded securities of four additional Sanctioned Entities beginning 9:30 a.m. eastern standard time on February 1, 2021. The names of those 35 Sanctioned Entities currently identified pursuant to the Order and their applicable sanctions effective dates are included in the [appendix](#) for your convenience.

As part of BNY Mellon's enterprise-wide compliance program that is seeking to maintain compliance in all material respects with the Office of Foreign Assets Control ("OFAC") requirements and to prevent BNY Mellon from engaging in transactions involving sanctions targets, BNY Mellon has coordinated with its securities information providers in an effort to identify publicly traded securities which may be impacted by the Order ("Sanctioned Securities"). BNY Mellon respectfully notes that the Order does not restrict transactions in Sanctioned Securities prior to the applicable sanctions effective date.

For all assets in our custody, BNY Mellon's enterprise-wide sanctions compliance screening protocols include automated scan/name recognition software programs that monitor account activity and transactions for global sanctions purposes against all applicable sanctions lists.

To aid in efforts to comply with the Order, BNY Mellon will require a compliance attestation for activity suspended by its sanctions screening protocols and identified as potentially implicating the Order. Additional attestations for depositories might also be required after the effective date. BNY Mellon, in conjunction with the above-noted compliance attestation requirements, will, at its sole discretion, process permissible divestments or transfers of the Sanctioned Securities, consistent with the Order, provided settlement occurs prior to the conclusion of any applicable wind-down period.

We remain actively engaged in multiple efforts with key industry groups, including efforts that are designed to bring a series of specific and key questions to OFAC's attention to clarify certain aspects of the scope and parameters of the Order that remain unclear. Pursuant to OFAC guidance issued January 6, 2021, BNY Mellon will engage in normal market supporting activities for both U.S. and non-U.S. persons, such as clearing, settlement, custody, transfer agency, back-end services, and other such support services, to the extent that such support services are not provided to U.S. persons in connection with prohibited transactions. Please be advised that BNY Mellon, in response to evolving OFAC guidance, at its sole discretion, reserves the right to decline activity determined by BNY Mellon, after careful review, to be prohibited by the Order.

We will continue to update you, and please do not hesitate to contact us at any time for further assistance with questions or concerns related to this or other activity you may have identified as potentially implicated by the Order. BNY Mellon also encourages outreach to your legal and sanctions compliance advisors in relation to the requirements introduced by this Order and its impact on your institution.

Best Regards,

BNY Mellon

## OFAC-Issuance of Executive Order Addressing the Threat from Securities Investments that Finance Certain Companies of the People's Republic of China

June 11, 2021

Dear Valued Client,

The Bank of New York Mellon, together with its affiliates (collectively, "BNY Mellon" or the "Company"), is writing to provide an update on the Company's activities following the amended Executive Order 13959 of June 3, 2021.

On June 4, 2021, BNY Mellon published an external [Netinfo®](#) informing clients that the Department of the Treasury's Office of Foreign Assets Control ("OFAC") published a new [Executive Order](#) (the "Order") concerning securities investments that finance certain companies operating in the defense and related materiel sector or the surveillance technology sector of the People's Republic of China ("PRC"). The Order amends and replaces securities-focused sanctions against certain PRC companies introduced by Executive Order 13959 on November 12, 2020.

The Order will affect transactions in the publicly traded securities of [59 sanctioned entities beginning](#) 12:01 a.m. eastern time on August 2, 2021.

Key updates in this most recent amended Order include:

- OFAC published a [new list of affected companies](#), the Non-SDN Chinese Military- Industrial Complex Companies List ("NS-CMIC List"), which has both added and removed entities from the former, now retired Non-SDN Communist Chinese Military Companies List.
- The Order targets only names that exactly match entities listed on the NS-CMIC List, and "close name matches" are no longer in scope of the prohibitions.
- Subsidiaries of companies on the NS-CMIC list are not in scope (unless explicitly referenced on the list itself).

In addition, BNY Mellon would like to update you on the following actions we have taken in response to these developments:

- Coordination with appropriate internal teams to allow transactions involving these securities to be processed during the period in which sanctions are not in effect (i.e., June 3, 2021 until the effective date of August 2, 2021).
- Engaged with our list management providers to source information on securities potentially impacted by the Order in advance of the effective date.

- Initiated forthcoming enhanced information reporting for clients of the Company with securities that may be potentially impacted by the Order.
- Development of [Frequently Asked Questions](#) for client usage.

Please be further advised that BNY Mellon, at its sole discretion, reserves the right to decline activity determined by BNY Mellon, after careful review, to be prohibited by the Order.

BNY Mellon will continue to provide updates to you, as appropriate. Please do not hesitate to contact us for further assistance or with any questions or concerns related to this or other activity you may have identified as potentially implicated by the Order. BNY Mellon also encourages outreach to your legal and sanctions compliance advisors in relation to the requirements introduced by this Order and its impact on your institution.

Best Regards,

BNY Mellon