

## Exhibit II

### Explanatory List of Beneficial Owner Types for Israeli Tax Purposes

This explanatory list of Beneficial Owner Types is an indication only as to tax status of investor types as of the date of this Offering Circular. It should not be regarded as either conclusive or exhaustive, and is subject in all respects to the determinations of the Israel Ministry of Finance with respect to each investor. Investors should in any event consult their own tax advisors in connection with their tax status as may be applicable to the purchase or ownership of the Notes.

#### 1. Non-Israeli tax resident individual

**Definition:**

A non-Israeli tax resident physical person for whom ALL of the following statements are true:

- *the State of Israel is not his or her permanent place of residence,*
- *the State of Israel is not the place of residence of his or her family (husband, wife or children),*
- *his or her ordinary or permanent place of activity is NOT in the State of Israel and he or she does NOT have a permanent establishment in the State of Israel,*
- *he or she does NOT engage in an occupation in the State of Israel,*
- *he or she does NOT own a business or part of a business in the State of Israel,*
- *he or she is NOT insured by the Israeli National Insurance Institution,*
- *he or she was NOT present (or planning to be present) in Israel for 183 days or more during this tax year and the preceding tax year,*
- *he or she was NOT present (nor planning to be present) in Israel for 30 days or more during this tax year, and the total period of his or her presence in Israel during this tax year and the two previous tax years is less than 425 days in total.*

#### 2. Non-Israeli tax resident legal entities

**Definition:**

A non-Israeli tax resident legal entity for which ALL of the following statements are true:

- *the legal entity is NOT registered with the Registrar of Companies in Israel,*
- *the legal entity is NOT registered with the Registrar of "Amutot" (non-profit organizations) in Israel,*
- *the legal entity is NOT registered with the Registrar of Partnerships in Israel,*
- *the control of the legal entity is NOT located in Israel,*
- *the management of the legal entity is NOT located in Israel,*
- *the legal entity does NOT have a permanent establishment in Israel, and*
- *no Israeli resident holds, directly or indirectly via shares or through a trust or in any other manner or with another who is an Israeli resident, 25.0% or more of any "means of control" in the legal entity as specified below:*
  - *The right to participate in profits;*
  - *The right to appoint a director;*
  - *The right to vote;*
  - *The right to share in the assets of the legal entity at the time of its liquidation; and*
  - *The right to direct the manner of exercising one of the rights specified above.*

**NOTE: If the beneficial owner is a trust or a partnership, it can only benefit from the 0% tax rate if ALL beneficiaries and the settlers of the trust or ALL the partners in the partnership are NOT Israeli residents.**

### 3. Israeli tax resident individual

**Definition:**

An Israeli tax resident physical person for whom ALL of the following statements are true:

- he or she is NOT an employee of the Israel Electric Corporation Limited,
- he or she does NOT belong to type 1.

**NOTE: If the beneficial owner is an Israeli resident for tax purposes who is an employee of the Israel Electric Corporation Limited, please contact Acupay at +1 212 422 1222 in New York or +44 207 382 0340 in London.**

### 4. Israeli tax resident corporation

**Definition:**

A legal entity resident in Israel for tax purposes which does NOT belong to types 2, 5 or 6.

### 5. Israeli tax resident financial institution

**Definition:**

An entity that is resident in Israel for tax purposes that is a bank or a member of the Tel Aviv Stock Exchange.

An Israeli tax resident financial institution should be informed that taxes will not be withheld from the payments made to it and that it is the Israeli financial institution's responsibility to withhold Israeli taxes and it is subject to withholding tax obligations as required under the Israeli Income Tax Ordinance and the regulations promulgated thereunder relating to the withholding of Israeli tax in respect to such payments in connection with the Notes.

### 6. Israeli Tax Residents with an Israeli Certificate of 0% Withholding

**Definition:**

A physical person or an entity resident in Israel for tax purposes that currently holds a valid Certificate of Withholding issued by the Israeli Income Tax Authority that grants a 0% withholding rate in respect of interest.

These may include:

- Israeli tax resident public benefit institutions in accordance with section 9(2) of the Income Tax Ordinance (New Version) of 1961 (analogue of non-for-profit organizations);
- Israeli insurance companies;
- Israeli provident funds (analogue of pension funds);
- Israeli mutual funds in accordance with section 88 of the Income Tax Ordinance (New Version) of 1961.

**Note: if the beneficial owner is an Israeli resident for tax purposes that currently holds a valid Israeli Certificate of Withholding issued by the Israeli Tax Authority, which grants a withholding tax rate other than 0% to the beneficial owner, please contact Acupay at +1 212 422 1222 in New York or +44 207 382 0340 in London.**