

Addendum to Prospectus Supplement Dated February 24, 2006

Dated: October 1, 2006

**STATE OF ISRAEL
\$400,000,000
JUBILEE FIXED RATE BONDS
(FOURTH SERIES)**

The interest rate of each State of Israel Jubilee Fixed Rate Bonds (Fourth Series) to be sold during the **Sales Period** commencing on **October 1, 2006** and terminating on **October 14, 2006** is:

2-Year: 4.90%
5-Year: 5.00%
7-Year: 5.15%
10-Year: 5.35%

To ensure purchase of a Bond at such interest rate, all supporting documentation must be received in a form acceptable to Israel and the full purchase price must be accepted by Israel by **October 10, 2006**.

(to prospectus dated February 26, 2004)

\$400,000,000

STATE OF ISRAEL

JUBILEE FIXED RATE BONDS (FOURTH SERIES)

Assuming that we sell all of the bonds at the initial offering price, we will receive \$376,000,000 of the proceeds from the sale of the bonds, after paying the underwriters' selling concession which will not exceed \$24,000,000 and before expenses estimated at \$56,000.

Terms of Bonds	
<ul style="list-style-type: none"> • Maturity <ul style="list-style-type: none"> • 2-Year Jubilee Fixed Rate Bond: If your issue date is the 15th day of the month, your bond will mature two (2) years from the first day of the month in which your bond was issued. If your issue date is the first day of the month, your bond will mature two (2) years from the issue date. • 5-Year Jubilee Fixed Rate Bond: If your issue date is the 15th day of the month, your bond will mature five (5) years from the first day of the month in which your bond was issued. If your issue date is the first day of the month, your bond will mature five (5) years from the issue date. • 7-Year Jubilee Fixed Rate Bond: If your issue date is the 15th day of the month, your bond will mature seven (7) years from the first day of the month in which your bond was issued. If your issue date is the first day of the month, your bond will mature seven (7) years from the issue date. • 10-Year Jubilee Fixed Rate Bond: If your issue date is the 15th day of the month, your bond will mature ten (10) years from the first day of the month in which your bond was issued. If your issue date is the first day of the month, your bond will mature ten (10) years from the issue date. 	<ul style="list-style-type: none"> • Minimum Subscription \$25,000 (you may buy subsequent bonds in excess of \$25,000 in increments of minimum denominations of \$5,000).
<ul style="list-style-type: none"> • Interest Fixed annual interest rate set forth on a sticker affixed to the cover page of this prospectus. Interest will accrue from the issue date, and calculated on the basis of a 360 day year consisting of twelve 30 day months. Interest will be paid every May 1, November 1 and on maturity, except that for bonds issued on April 15 or October 15, the first interest payment will be made on the second interest payment date following the issue date. The bonds will not earn or accrue interest after maturity. 	<ul style="list-style-type: none"> • Issue Date If your subscription is received and accepted before the 15th day of the month (or such other date as may be set forth on a sticker affixed to the cover of this prospectus), your issue date will be the 15th day of such month; if your subscription is received and accepted on or after the 15th (or such other date), your issue date will be the first day of the following month.
<ul style="list-style-type: none"> • Limitations on Interest; Early Redemption You may not assign or transfer the bonds except in certain special instances. We will repurchase bonds prior to maturity: <ul style="list-style-type: none"> • At the request of a bondholder only upon the death of the last surviving registered owner of the bond or the termination of an Employee Benefit Plan that owned the bond. • At the election of the State upon a prior written notice setting forth the redemption date and price, whether all bonds or a group of bonds are to be redeemed and the place where the bonds are to be redeemed. 	<ul style="list-style-type: none"> • Book Entry We are issuing the bonds in book-entry form. Certificates will be issued only to government agencies, pension funds, financial institutions and Employee Benefit Plans that so request at the time of purchase.

This offering may have a special appeal to persons with an interest in the State of Israel rather than the general public. We have issues of bonds outstanding which may, on any given day, provide a greater yield to maturity than the bonds being offered by this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the bonds or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

DEVELOPMENT CORPORATION FOR ISRAEL
575 LEXINGTON AVENUE, NEW YORK, NEW YORK 10022 — 6195

DESCRIPTION OF THE BONDS

We are offering \$400,000,000 aggregate principal amount Jubilee Fixed Rate Bonds (Fourth Series). We are offering four series of bonds: 2-Year Jubilee Fixed Rate Bonds, 5-Year Jubilee Fixed Rate Bonds, 7-Year Jubilee Fixed Rate Bonds and 10-Year Jubilee Fixed Rate Bonds. The bonds are direct, unconditional and general obligations of the State of Israel. We pledge our full faith and credit for the due and punctual payment of principal and accrued interest, as well as for the due and timely performance of all of our obligations with respect to the bonds. The terms of the bonds are as follows:

Price. You may buy each bond for a minimum subscription of \$25,000. If you have purchased a minimum of \$25,000 of bonds in a single purchase during the twelve month period immediately preceding the additional purchase, you may purchase additional bonds of the same series in denominations of \$5,000 or integral multiples of \$5,000. Additional bonds must be registered in the same name as the bonds satisfying the minimum purchase requirement.

Issue Date. If your subscription is received in a form acceptable to Israel and the subscription price is accepted before the 15th day of the month (or such other date as may be set forth on a sticker affixed to the cover of this prospectus), your issue date will be the 15th day of such month; if your subscription is received in a form acceptable to Israel and the subscription price is accepted on or after the 15th (or such other date), your issue date will be the first day of the following month.

Maturity. If your issue date is on the 15th day of the month, your bond will mature two (2), five (5), seven (7) or ten (10) years, as the case may be, from the first day of the month in which your bond was issued. If your issue date is the first day of the month, your bond will mature two (2), five (5), seven (7) or ten (10) years, as the case may be, from the issue date. When the bonds become payable, you will receive the face amount of the bonds in United States currency.

Interest Rate and Interest Determination Date. The interest rate is a fixed annual rate set forth on a sticker affixed to the cover page of this prospectus and specified on the book-entry statement or bond certificate. If your issue date is the 15th day of the month, the interest rate will be determined two (2) business days prior to the first day of such month; if your issue date is the first day of the month, the interest rate will be determined two (2) days prior to the 15th day of the prior month.

Interest and Maturity Payment. Interest will accrue from the issue date of the bonds until maturity. Bonds do not earn or accrue interest after maturity. We will pay interest semi annually on May 1 and November 1 and upon maturity, except that for those bonds that accrue interest from April 15 or October 15, the first interest payment will be made on the second interest payment date following the issue date. If either May 1 or November 1 is a bank holiday, we will pay interest that has accrued up to, but not including, either May 1 or November 1, as the case may be, on the next succeeding banking day, but interest that accrues from either May 1 or November 1, as the case may be, to, but not including, the date on which the interest is paid, will be paid out on the next interest payment date. Interest is calculated on the basis of a 360-day year consisting of twelve (12) months of thirty (30) days per month. We will calculate interest for each of the above periods as a percentage of the annual percentage rate based on a three hundred sixty (360) day year consisting of twelve (12) months of thirty (30) days per month.

Limited Transferability. You may not transfer or assign the bonds, except that you may transfer the bonds to the following permitted transferees under the circumstances provided herein:

- The State;
- The Development Corporation for Israel;
- Any religious charitable, literary, scientific, or educational organizations, contributions to which are, at the time of the transfer, deductible for income and similar tax purposes under the United States Internal Revenue Code of 1986, as heretofore or hereafter amended (or are accorded similar

treatment under the laws of the country in which the transferee is located) provided that a transfer to such entity is made by gift or bequest without any compensation to the transferor;

- The owner's spouse, children, grandchildren, siblings, parents or grandparents;
- Upon the death of the bondholder, to any person in accordance with such bondholder's testamentary disposition and/or applicable laws of descent and distribution;
- Except for the 2-Year Jubilee Fixed Rate Bonds, provided the transfer is made by the registered owner of the bond, as collateral security to an Institutional Lender after three (3) years from the issue date with respect to the 5-Year Jubilee Fixed Rate Bonds, four (4) years from the issue date with respect to the 7-Year Jubilee Fixed Rate Bonds and after five (5) years from the issue date with respect to the 10-Year Jubilee Fixed Rate Bonds. "Institutional Lender" shall mean an entity primarily engaged in the business of making secured loans to institutional and non-institutional borrowers;

and

- Anyone designated by a written direction signed in the name of the State as a permissible transferee.

Due to the limited transferability of the bonds and the limited circumstances under which we will purchase the bonds (see "Early Redemption" below), bondholders may not be able to readily liquidate their investment prior to maturity.

Event of Default. If we default on the payment of interest or principal with respect to any bond:

- Any amount of interest or principal in default will bear interest at the interest rate applicable on the date of such default until such default is cured; and
- If any default continues for a period of ninety (90) calendar days, the principal amount of the bond will, at the option of, and upon written demand to us by, the registered owner(s) of the bond, mature and become due and payable, together with accrued and unpaid interest, upon the date that such written demand is actually received by us, unless prior to such date we cured all defaults in respect of the bonds.

Early Redemption — At the Request of a Bondholder. A bond may be repurchased by the State prior to maturity, for a purchase price equal to the principal amount of the bond together with interest accrued and unpaid through the redemption date, within sixty (60) days' of a written request but only on the first business day of a given month, accompanied by an instrument of transfer in a form approved by the Fiscal Agent, under the following circumstances:

- Upon the death of any natural person who was the registered owner of the bond or, in the event there is more than one registered owner of the bond, upon the death of the last surviving registered owner. Payments will be issued to the estate of the deceased. However, if a bond has been pledged and payments under the bond directed to the pledgee, then upon the death of the registered owner, payment will be made to the pledgee.
- Upon the death of any natural person who owned such bond through an IRA, Roth IRA or Keogh or H.R. 10 Plan.

Notwithstanding the aforesaid, the State may suspend or terminate the obligations to purchase a bond upon death as set forth above if, in the opinion of the State, a material number of these persons shall have died as a result of war, epidemic, catastrophe of nature or other disaster.

- Upon the termination of any Employee Benefit Plan (as defined in the Prospectus) which owned such bond; unless, in the case of an IRA, Roth IRA or a Keogh or H.R. 10 Plan, the beneficiary or administrator of such plan advises the State or the Development Corporation for Israel that it intends to transfer such plan to another plan in a “rollover” transaction, as such term is defined in Section 402 of the Internal Revenue Code of 1986, within the time limit prescribed for such “rollover”. In order to redeem a bond upon the termination of an Employee Benefit Plan that is the owner of the bond, sufficient evidence must be provided to the State that such Employee Benefit Plan has been terminated and that the assets must be liquidated to meet the Plan’s commitments.

Early Redemption — At the Request of the State. The bonds are subject to redemption by the State, in whole or in part, for a redemption price equal to the principal amount of the bond together with interest accrued and unpaid through the redemption date. The State may decide to redeem the bonds at any time, but a redemption date may only occur on an interest payment date. Should the State elect to redeem bonds of a certain issue date, it will redeem all of the bonds issued on such issue date, and provided all of the bonds of the same issue with earlier issue date are or have been called for redemption. A redemption notice shall be mailed to all bond owners by the Fiscal Agent between thirty (30) and sixty (60) days prior to the redemption date, setting forth the redemption date, whether all bonds or a group of bonds are to be redeemed, the redemption price and the place where the bonds are to be redeemed.

Bond Certificate. We are issuing the bonds in book entry form. Therefore, bond certificates will not be issued. Instead, the fiscal agent will mail to the purchaser and owner of each bond a confirmation that the owner has been listed in the bond register as the registered owner of the bond along with other pertinent information. Certificates will be issued only to government agencies, pension funds, financial institutions and Employee Benefit Plans (as defined in the Prospectus) that so request at the time of purchase. We will forward all notices relating to the bonds to the registered owner(s). You may transfer a bond, if permitted, by notifying the fiscal agent in writing of the transfer request along with appropriate transfer documents and any fee and expenses, paid by the transferor, required by the fiscal agent. The transferor must also pay the State for any of its expenses in connection with the transfer. The fiscal agent will then record the transfer in the bond register. We will only repurchase bonds upon presentation of appropriate transfer documents (and the bond certificate if one was issued) to the fiscal agent. Upon maturity of a book entry bond or redemption of a book entry bond, the fiscal agent will automatically pay the principal amount and accrued interest on the book entry bond to the registered owner by mailing a check to the last address of the registered owner as listed in the bond register. Bond certificate holders must present the physical certificate to the fiscal agent to receive payment. You are responsible for the cost of replacing a bond certificate if it is lost, stolen or destroyed after you receive it.

Fiscal Agent. The Bank of New York will act as the fiscal agent for the bonds. The address for The Bank of New York is 101 Barclay Street, New York, New York 10286, Attention: Corporate Trust Administration. The telephone number is (212) 495-1784.

The foregoing description of the material terms of the bonds is qualified by reference to the full terms of the bonds. Bonds offered and sold outside of the United States may be offered and sold in reliance on Regulation S or another applicable exemption from the registration requirements of the Securities Act of 1933, as amended. Such bonds have not been and will not be registered under the Securities Act. Accordingly, subject to certain exceptions, such bonds may not be offered, sold or delivered within the United States to United States persons.

State of Israel

Bonds

The State of Israel, which may be referred to in this prospectus as Israel or the State, may offer up to U.S.\$3,000,000,000 aggregate principal or maturity amount of its bonds.

Israel may offer the bonds from time to time as separate issues. Israel will provide a prospectus supplement describing the amounts, prices and terms of each issue of bonds it is offering. You should read this prospectus and any prospectus supplement carefully before you invest.

Israel will sell the bonds through the Development Corporation for Israel, which we may refer to as DCI in this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

You should rely only on the information contained or incorporated by reference in this prospectus or the applicable prospectus supplement. Israel has not authorized anyone to provide you with different or additional information. Israel is not making an offer of these securities in any place where the offer is not permitted. You should not assume that the information contained in this prospectus or any prospectus supplement or any document incorporated by reference is accurate as of any date other than the date on the front of those documents.

DEVELOPMENT CORPORATION FOR ISRAEL
575 LEXINGTON AVENUE, NEW YORK, NEW YORK 10022-6195

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WHERE YOU CAN FIND MORE INFORMATION ABOUT THE STATE OF ISRAEL

Israel is not subject to the informational requirements of the Securities Exchange Act of 1934. Israel files annual reports with the Securities and Exchange Commission, or the SEC, on a voluntary basis. These reports and any amendments to these reports include certain financial, statistical and other information about Israel and may be accompanied by exhibits. Israel may also include exhibits to its annual reports and file amendments to its annual reports. You may read and copy any document Israel files with the SEC at the SEC's public reference room located at 450 Fifth Street, N.W., Washington, D.C. 20549. Israel's SEC filings, including the Registration Statement of which this prospectus forms a part, are also available to the public from the SEC's website at <http://www.sec.gov>. You may obtain information on the operation of the public reference room by calling the SEC at 1-800-SEC-0330 or logging on to www.sec.gov.

The SEC allows Israel to "incorporate by reference" into this prospectus the information Israel files with it. This means that Israel can disclose important information to you by referring you to those documents. Information that is incorporated by reference is an important part of this prospectus. Israel incorporates by reference the following documents:

- its Annual Report on Form 18-K for the fiscal year ended December 31, 2002; and
- all amendments to Israel's Annual Report on Form 18-K for the year ended December 31, 2002 filed prior to the date of this prospectus.

Israel also incorporates by reference all future annual reports and amendments to annual reports until it sells all of the bonds covered by this prospectus. Each time Israel files a document with the SEC that is incorporated by reference, the information in that document automatically updates the information contained in previously filed documents.

You may download a free copy of these filings from the Internet site maintained by the Development Corporation for Israel at www.israelbonds.com, or request a free copy of these filings

by writing to or telephoning Israel's Consul and Chief Fiscal Officer for the Western Hemisphere at the following address and number:

Ministry of Finance
State of Israel
800 Second Avenue, 17th Floor
New York, New York 10017
Telephone: (212) 499-5710
Facsimile: (212) 499-5715

USE OF PROCEEDS

Unless otherwise specified in the applicable prospectus supplement, Israel will use the net proceeds from the sale of the bonds offered hereby for general purposes of the State.

DESCRIPTION OF THE BONDS

Israel will issue the bonds from time to time as separate issues. Each issue of bonds will be issued pursuant to a fiscal agency agreement between Israel and a fiscal agent, unless Israel acts as the fiscal agent with respect to any issue. If the terms or conditions described in the prospectus supplement for a particular issue of bonds differs from the terms and conditions described in this prospectus, you should rely on the terms and conditions described in the prospectus supplement.

The following is a summary of certain terms of the bonds. Israel will describe the particular terms of any bonds in the prospectus supplement relating to those bonds. Those terms may include:

- the name of the issue of the bonds;
- the aggregate principal or maturity amount of the bonds;
- the price of the bonds;
- the minimum denomination of the bonds;
- the issue date of the bonds;
- the stated maturity date on which Israel agrees to repay the bonds;
- the rate of interest the bonds will bear, if any, and if variable, the method by which the interest rate will be calculated;
- the dates when any interest payments are scheduled to be made;
- the date or dates from which interest will accrue;
- whether and in what circumstances Israel may redeem the bonds before maturity;

- whether physical certificates will be issued for the bonds or whether the bonds will be book-entry only;
- the currency in which Israel may pay the bonds and any interest; and
- any other terms of the bonds.

Status of the Bonds

The bonds will be the direct, general and unconditional obligations of Israel. Israel will pledge its full faith and credit for the due and punctual payment of all principal, interest and maturity amounts, as well as for the due and timely performance of all of Israel's obligations with respect to the bonds.

Ranking of Bonds

The bonds of each series will rank equally with each other, without any preference among themselves. The payment obligations of Israel under the bonds will at all times rank at least equally with other payment obligations of Israel relating to unsecured, unsubordinated external indebtedness. For purposes of this paragraph, "external indebtedness" means any indebtedness for money borrowed which is payable by its terms or at the option of its holder in any currency other than the currency of Israel, and "indebtedness" means all obligations of Israel in respect of money borrowed and guarantees given by Israel in respect of money borrowed by others.

The Bonds

Issuance. The bonds will be issued only in registered form without coupons, and upon original subscription, in such minimum denominations as may be set forth in the applicable prospectus supplement. Subscription for the bonds will be made on approved forms appropriately completed and executed and accompanied by the subscription price. The subscription price may be paid in United States dollars or, if Israel so orders, in the currency of the country from which the subscription originated. A subscription is deemed accepted as of the date when the forms and purchase price are actually received in form acceptable to the fiscal agent and DCI. The bond will state the name of the owner, the subscription number and the issue date. Except for bonds issued in book-entry form, the fiscal agent will mail the bond to the owner.

Bond Certificates. The bonds will be issuable to any person or entity. The name of that person or entity or his, her or its nominee will be inscribed on the face of the bonds. The bonds will be numbered and lettered in a manner that is satisfactory to Israel. The bonds will be executed on behalf of the State by its Prime Minister and its Minister of Finance and countersigned by an authorized officer of the fiscal agent, and may contain legends or recitals not inconsistent with the fiscal agency agreement as may be approved by the fiscal agent or as required by any securities exchange on which the bonds may be listed. Pending the preparation of definitive bonds, Israel may execute and issue temporary bonds or a nontransferable receipt in lieu of definitive bonds. The temporary bonds will be in substantially the same form as the definitive bonds, and may be exchanged for an equal amount of definitive bonds when the definitive bonds are prepared and

ready for delivery upon the surrender of the temporary bonds at the office of the fiscal agent. A receipt issued in lieu of the bonds will indicate that the bond will be issued to the person named in the receipt in the specified denominations when the bond is available. Any exchange of temporary bonds for definitive bonds will be at no expense to the bond owner, except the payment of any stamp tax or other governmental charges. The bonds may be issued in book-entry form, which means bond certificates will not be issued to evidence the bonds. In the case of bonds issued in book-entry form, the prospectus supplement may provide that certificates will be issued if specifically requested at the time of purchase.

Payment of Interest. Some bonds are interest-bearing. For interest-bearing bonds, interest will be computed on the basis of a 360-day year consisting of twelve 30-day months. If the date of any payment, whether for interest, principal, maturity or redemption, is a Saturday, Sunday or other day on which the fiscal agent is authorized or required by law to be closed, payment will be made on the next business day, and no interest will accrue for the intervening period. Israel and the fiscal agent will treat the person or entity whose name is inscribed on the face of the bond as the absolute owner of the bond for all purposes, including receiving payment for the bond and interest payments, and neither Israel nor the fiscal agent will be affected by any notice to the contrary. Payments will be paid by check mailed to the bond owner at the address listed in the bond register. In the case of bonds issued in the name of more than one holder, payment may be made in the names of all such holders. A trustee or other legal representative will succeed to all rights of a non-individual bond owner that has dissolved or terminated. An executor, administrator or other legal representative of a bond owner who has died will succeed to all the rights of a deceased bond owner. If any interest is not punctually paid, Israel will notify the fiscal agent of the amount of defaulted interest proposed to be paid on each bond and the date of such payment. The fiscal agent will then notify the bond owners of the proposed payment, and pay bond owners the defaulted interest.

Exchange and Split-up; Surrender of Bonds. There will be no exchange or split-ups of bonds issued in minimum denominations, unless otherwise ordered by Israel. All other exchanges or split-ups will be subject to reasonable regulations of the fiscal agent and Israel. The fiscal agent will cancel all bonds surrendered for transfer or exchange. The bond owner will pay all expenses, charges or taxes in connection with any exchange or split-up.

Co-owners of Bonds; Bonds Held by Minors. Israel or the fiscal agent may require the signature of all bondholders in the case of the surrender of bonds issued in the names of more than one holder. Upon the surrender of a bond issued in the name of a minor, or a minor together with another person, Israel or the fiscal agent may act with respect to the minor upon the signature of the minor's legal guardian, or if there is no legal guardian, upon the signature of the parent or head of household of the minor, provided that the parent or head of household executes any other documents required by Israel or the fiscal agent.

Lost, Stolen or Mutilated Bonds. If a bond is mutilated, lost, stolen or destroyed, then Israel may issue a new bond upon the production of such mutilated bond or upon evidence satisfactory to it and the fiscal agent. If the bond was about to mature, Israel may pay for it without issuing a new bond. The newly issued bond will constitute the original contractual obligation of Israel, regardless

of whether any person or entity tries to enforce the old bond. The bond owner will bear all expenses in connection with delivery of a new bond, except with respect to a bond mutilated, destroyed, stolen or lost prior to its delivery to the bond owner, for which Israel and the fiscal agent have received satisfactory evidence.

Early Redemption

Upon not more than sixty (60) days written notice and surrender of the bond, a written instrument of transfer and other necessary legal documents required by Israel or the fiscal agent, the fiscal agent will repurchase bonds at the option of the owner(s) prior to maturity only under the following circumstances:

(a) upon the death of the registered owner of the bond or, if there is more than one registered owner of the bond, upon the death of the last surviving registered owner. However, Israel is not required to purchase upon death if the bond is owned by a transferee or assignee;

(b) upon the death of any person owning the bond through an IRA, Roth IRA, Keogh Plan, or H.R. 10 Plan. However, Israel is not required to purchase bonds on death as set forth in clause (a) above and this clause (b) if, in Israel's opinion, a material number of these persons died as a result of war, epidemic, catastrophe of nature or other disaster;

(c) upon the termination of an Employee Benefit Plan which owned the bond, unless in the case of an IRA, Roth IRA, Keogh or H. R. 10 Plan, the bond is transferred to another IRA, Roth IRA, Keogh or H.R. 10 Plan in a "rollover" transaction as the term is defined in Section 402 of the Internal Revenue Code within the time limit prescribed for such "rollovers".

For purposes of this offering, "Employee Benefit Plan" means:

- any employee benefit plan as defined in Section 3 of the Employee Retirement Income Security Act of 1974, as amended, or any comparable legislation in effect at the time of determination; or
- any Individual Retirement Account, Roth Individual Retirement Account, Keogh or H.R. 10 Plan, and any Registered Retirement Savings Plan, or any treasury, strike or other fund established or maintained by an employee organization.

An "Individual Retirement Account" or "IRA" is an individual retirement, tax-deferred plan established by an employee under Section 408 of the Internal Revenue Code or any comparable legislation in effect at the time of determination. A "Roth IRA" is an individual retirement account in which earnings accumulate tax-free and from which qualified distributions are tax-free that meets the definition of "Roth IRA" in Section 408A(b) of the Internal Revenue Code. A "Keogh Plan" or an "H.R. 10 Plan" is a retirement plan established by a self-employed person that satisfies or is intended by its terms to satisfy the applicable requirements of the Internal Revenue Code. A "Registered Retirement Savings Plan" or "RRSP" is a retirement savings plan registered under the Income Tax Act (Canada), in respect of which the owner of the bond or the owner's spouse is the annuitant.