

## ■ Government of Canada Securities

### **What are Government of Canada Securities?**

*Government of Canada securities are debt obligations of the Canadian government. These include bills, notes, bonds, and real return bonds. When you buy a Government of Canada security, you lend money to the federal government for a specified period of time. Government of Canada bills are short-term instruments with maturities of no more than one year.*

*Government of Canada notes are intermediate-to long-term investments, typically issued in maturities of two, three, five, seven and 10 years. Government of Canada bonds cover terms of more than 10 years and are currently issued in 30-year maturities. Interest is paid semiannually.*

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### **How are we paid for our services?**

#### **Secondary Government of Canada securities**

Secondary Government of Canada securities are transactions involving previously issued securities. When you buy or sell, Edward Jones may act as either an agent or a principal. If we act as an agent, your trade confirmation will display the commission you pay, which may be up to 2.0% of the dollar amount you buy and up to .75% of the dollar amount you sell.

If you buy government securities from our inventory or sell securities that we purchase directly from you, we act as a principal. You will see the markup or markdown, which is included in the price, displayed as a line item in the trade confirmation. The markup may be up to 2.0% of the dollar amount you buy and the markdown may be up to .75% of the dollar amount you sell. The price is also adjusted to reflect changes in interest rates and market prices that have occurred since we bought the security. As a result of these changes, Edward Jones may earn revenue or incur losses from buying or selling securities as principal.

### **How is your financial advisor compensated?**

Your financial advisor receives a percentage of any commissions or charges for Government of Canada securities. Our revenue affects Edward Jones' overall profitability and thus may affect any branch bonus your financial advisor receives.