

Keshet Donor Advised Fund

Smart and effective philanthropy



קשת קרן שיתוף תורמים
Keshet Donor Advised Fund
كشيت صندوق مشاركة المتاحدين

The need

Third sector organizations guarantee the strength and resilience of Israeli society. Over the past few decades the third sector has become a leading force in preserving justice, mutual responsibility, ethics and diversity in Israel. Although these organizations are engaged in public benefit activities, they are heavily supported by private donations provided by individuals and corporations willing to allocate funds to the furtherance of causes and values they believe in.

The tradition of giving and charity that is typical of Israeli society has led to the emergence of local philanthropy, but it is still in the stages of growth and professionalization. 'Keshet' Donor-advised fund (DAF) was founded to ensure that donations reach the right place, that giving is translated into significant influence on the ground, and that funds are managed by an organization that is experienced, trustworthy, efficient and effective.

What we do

Keshet is a non-profit public benefit corporation which offers DAF services. A DAF is a tax-incentive-based philanthropic vehicle, which is commonly used abroad, in countries where smart philanthropy is encouraged. Besides the tax advantage, DAF allow for a separation between the decision on the amount of the donation, and the decision on its destination and the date on which it is transferred. Making these decisions in two steps allows for more strategic giving and improved financial planning. Keshet is Israel's first DAF and our goal is lead the way for professional DAF services in Israel.

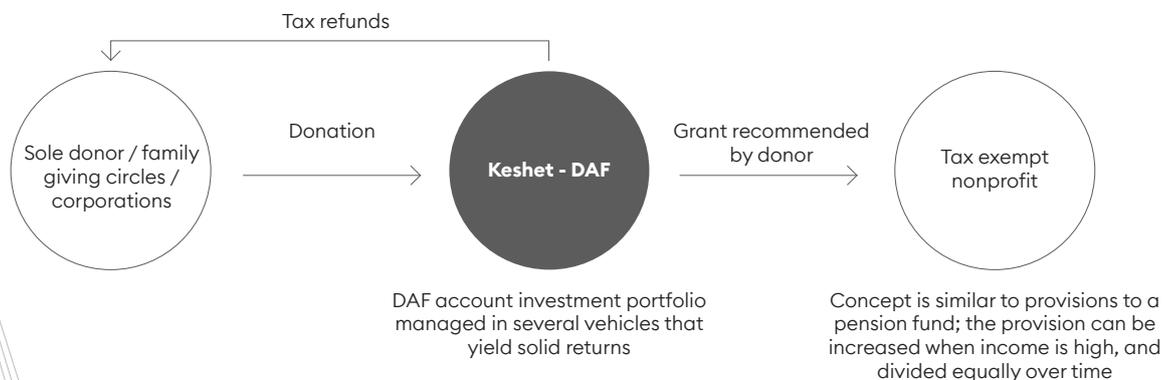
We aspire to significantly boost philanthropy through:

- External investment of tax exempt donations
- Effective donation strategy management
- Advice that mediates between philanthropists and nonprofits active in spheres that are close to their hearts

Our services are grounded in our many years of experience and the knowledge accumulated by our founding organizations, a professional team that is extensively and profoundly acquainted with the philanthropic and nonprofit sectors, and a mechanism that helps us ensure that donations are translated into maximum impact.

What is a DAF

1. The donor makes an irrevocable contribution of personal assets (cash, stock, real estate, etc.)
2. The donor receives the maximum tax benefit allowed by the tax authorities in Israel on the entire sum deposited, in the year the contribution was made
3. The donor decides on decision-makers, beneficiaries and advisors to the DAF, as well as recommendations for grants at the present and in the future
4. The donation funds are managed by investment houses according to approved criteria, and returns are fully tax exempt



Advantages for the donor

- Making informed donation decisions free of time pressure
- Optimal establishment of intergenerational giving, ensuring continuity of the family's philanthropic legacy
- In a year when income is high - long-term donations can be allocated, utilizing an immediate tax benefit on the entire amount
- Investment profits are fully tax exempt, so the investment principal keeps on growing
- Low setup and management costs, professional service and continuous personal attention

What makes Keshet Donor Advised Fund different from other available options?

Thanks to Keshet's DAF vehicle, philanthropy in Israel has never been so easy, accessible, efficient and effective, with maximum, immediate tax deductions on donations while the DAF principal is invested and accrues tax exempt profits, all based on the most professional infrastructure available.

What is the cost structure?

Keshet charges graduated operating fees of no more than 1% of the account, plus a 0.5% management fee charged by the investment house. This means that the maximum cost is no more than 1.5% of the fund. Keshet's management costs are significantly lower than comparable market rates and the setup or operating costs of independent private funds.

Can my family be involved in the fund?

Absolutely, we encourage it. Many donors view setting up a DAF as an opportunity to define the family's values and priorities ensuring the continuity of the family's philanthropic legacy.

Can I recommend a donation for a building in my name?

Yes, with Keshet you can choose to donate anonymously or with full recognition.

Are there cases where my recommendation for a donation will not be accepted?

Yes. Keshet is bound by Israeli law, which means that the donation must be made to an organization approved under Section 46A of the Income Tax Ordinance (in exceptional cases, up to 15% of the account may be excluded). Grants to the following may not be recommended:

- Specific individuals (or a grant to an organization, which is designated to benefit a specific individual)
- Political entities – parties and/or political-party campaigns
- Organizations or programs providing a personal benefit to the owners or users of the account, including payment of tuition, salary or other personal emolument
- Organizations that have been linked to anti-democratic activities, acts of terror, or which have a criminal past or are the subject of criminal suspicion

Our business is supported by a board of directors that comprises leading members of Israel's business, financial, legal and philanthropic communities, representing a wide cross-section of the diverse sectors that make up Israeli society.

Maya Liguornik, (Chair) Recently retired from her position as Senior Partner at Meitar Liguornik Geva Leshem Tal & Co., Israel's leading international law firm. **Tali Yaron Eldar** Previously head of Israel's income Tax Authority and Chief Legal Advisor to the Customs and Value-added Authority, Tali is currently Managing Partner at the Yaron-Eldar, Paller, Schwartz & Co. law firm. **Yarom Ariav** A senior economist, Yarom served as Director-General of Israel's Ministry of Finance and headed the government committee for implementing the socio-economic agenda. **Rani Haj-Yihie** Associate at the Gornitzky & Co. law firm, CEO of a joint Israel-Jordan trade zone and a social investor in promoting integration of Israel's Arab population into the labor market. **Lital Slavin** Co-founder and CEO of Beyond Family Office, which focuses on impact investments and impact funds in the areas of energy efficiency and urban renewal. **Prof. Neta Ziv** is the Academic Director of the Israel Affordable Housing Center and the Institute for Law and Philanthropy at Tel Aviv University, Faculty of Law and the Founding Director of the Clinical Legal Education Programs at the Tel Aviv university Law School. **Scott Tobin** Funder and General Partner at Battery Ventures, having been named on the Forbes Midas list several times, being ranked a top venture capitalist. Scott also serves on the board of Maoz. Members of the audit committee: **Prof. Yair Orgler** (Chair), **Dr. Yuval Dror** and **Prof. Shlomit Zuta**.

Investment committee: Independent committee directs the fund

investment policy: **Ehud Rassabi (Chair), Alon Gafner, Dror Nagel**. All Board and committee members are active on a voluntary basis.

DAF-IL also benefits from the experience of two well-known experts: **Prof. Dan Ariely**, a world-renowned expert in psychology and behavioral economics and **Philippe J. Weil**, an established Swiss Banker, Founder and Managing director of P.J. Weil Ltd. a Multi-Family Office Boutique with Offices in Tel Aviv and Zurich

Maya Natan, (CEO); Legal services: **Ophir Katz** and associates (one of Israel's leading firms on NGO law); Accounting: Ernst & Young Israel.

Contact us:

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