We are proud to announce the JCF - Ogen Israel Impact Loan Program, an opportunity for people looking to maximize their social impact in Israel today in a way that returns money to your fund for future grant-making and impact investing.

**What is it?**

This is an innovative collaboration spearheaded by **Jewish Communal Fund (JCF)** and **Ogen**, formerly the Israel Free Loan Association (IFLA), a non-profit social lending group providing affordable credit and financial guidance to disadvantaged segments of the Israeli public.

This program allows current and prospective JCF Fundholders with accounts of $500,000 or more to recommend that up to 50% of the charitable assets in their JCF donor advised funds be invested in Ogen – Social Loan Fund, to make low-interest loans to Israeli small businesses and not-for-profit organizations, including those that have been severely hurt by the effects of COVID-19.

**Background**

The Ogen Group provides both interest-free and low-interest loans, as well as financial guidance, to people, small businesses and non-profits in Israel. Ogen’s credit and financial mentoring solutions are designed to improve financial opportunity and empowerment, creating a fairer and stronger economy for all Israelis. Having lent more than $360 million since 1990, with a **loan repayment rate of 99.3%**, Ogen has extensive experience in managing loans to borrowers otherwise considered high-risk. Ogen’s loans help Israelis without access to fair and affordable credit to overcome financial challenges, grow and prosper, especially in the wake of COVID-19, when the need for affordable credit has increased dramatically.

The **JCF - Ogen Israel Impact Loan Program** will enable JCF Fundholders to make an impact loan in Israel through **Ogen – Social Loan Fund**, which is licensed by Israel’s Capital Markets Authority and has over $45M AUM. The Fund is expected to receive its bank charter in the coming year, at which point it will evolve into Ogen–Israel Social Bank, the first non-profit digital social bank in Israel.

**How it works**

- Social impact lenders must have a minimum JCF fund balance of $500,000.
- Minimum impact loan is $250,000.
- Ogen will make low-interest loans of up to $57,000 (200,000 shekel) to small businesses, helping entrepreneurs to launch, rebuild or expand their small business. Ogen will use funds to make bridge loans and emergency working capital loans of up to $190,000 (650,000 shekel) to Israeli nonprofits as they wait for their government reimbursements or pledged private funding, or invest in their future growth. Loans are given alongside supplementary financial guidance and mentoring from Keren-Shemesh (part of the Ogen Group).
- Impact lenders receive detailed quarterly reports from Ogen.
- Principal is currently safeguarded by 15% loan loss coverage through Israel’s State Guarantee Fund, as well as supplemental philanthropic risk mitigation grants which make up a further 5%, denoting 20% risk coverage in all. Alongside making an Impact Loan, JCF Fundholders are invited to make grants towards Ogen’s risk mitigation reserves. Each $1 granted enables $20 in lending.
- At the end of the five-year loan term, the fund will receive an amount equal to the amount in Israeli New Shekels on the date the loan is made, plus accrued simple interest at a rate per annum equal to 1%.

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**Jewish Communal Fund** is one of the largest networks of Jewish funders, managing $2 billion in charitable assets for more than 4,100 donor advised funds. JCF’s donor advised funds make giving easy, flexible and efficient.

**Ogen** provides affordable, life-changing loans and financial mentoring to low and middle-income Israelis, small businesses and not-for-profit organizations in Israel. Ogen has 30 years of experience as a non-profit lender, helping borrowers without access to fair and affordable credit to overcome life’s financial challenges. Formerly the Israel Free Loan Association, Ogen has made more than 65,000 loans and lent more than $360 million since 1990.
Evyatar Cohen

Evyatar is the owner and sole employee of “Kos Shel Bracha,” a popular neighborhood wine store on a quiet street in suburban Jerusalem. Despite personally delivering client orders on his moped, the store saw a 50% loss in income when quarantine measures came into effect. With rent and suppliers to pay, Evyatar’s business was in crisis. Evyatar negotiated with his bank for a month for an emergency loan but was initially declined and then eventually offered a loan at 11%.

- When he discovered Ogen, Evyatar was quickly approved and took a loan of ILS 100,000 to stabilize his business.

The Tahel Crisis Center for Religious Women and Children

The Tahel Crisis Center for Religious Women and Children counteracts abuse and domestic violence against women and children in the religious and ultra-Orthodox communities. Tragically Israel experienced a 40% rise in domestic violence cases during the COVID-19 shutdown, leading to a doubling in calls for help to Tahel.

At the exact moment when the organization was most needed however, the effects of COVID-19 had put Tahel into sudden financial crisis, without either expected philanthropy or government funding.

- Ogen made a bridge loan of ILS 200,000 ($58,000) to Tahel, enabling the organization to keep providing its vital services until its pledged government funding comes through.

For more information about the Jewish Communal Fund and Ogen, contact Ellen Israelson at (212) 752-8277 or Ellen@jcfny.org.