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Form 990-PF

Return of Private Foundation

OMB No 1545-0052

2017

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

or Section 4947(a)(1) Trust Treated as Private Foundation

Do not enter social security numbers on this form as it may be made public

Go to www.irs.gov/Form990PF for instructions and the latest information

For calendar year 2017 or tax year beginning , 2017, and ending , 20

Name of foundation

THE AVI CHAI FOUNDATION

Number and street (or P O box number if mail is not delivered to street address)

1015 PARK AVENUE

City or town, state or province, country, and ZIP or foreign postal code

NEW YORK, NY 10028

G Check all that apply

Initial return

Initial return of a former public charity

Final return

Amended return

Address change

Name change

H Check type of organization

☒ Section 501(c)(3) exempt private foundation☐ Section 4947(a)(1) nonexempt charitable trust☐ Other taxable private foundationI Fair market value of all assets at
end of year (from Part II, col (c), line
16) \$ 437,616,307.J Accounting method ☐ Cash ☒ Accrual
☐ Other (specify) _____
(Part I, column (d) must be on cash basis)

A Employer identification number

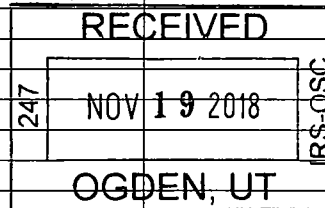
13-3252800

B Telephone number (see instructions)

(212) 396-8850

C If exemption application is
pending check here. ☐D 1 Foreign organizations, check here. ☐2 Foreign organizations meeting the
85% test, check here and attach
computation ☐E If private foundation status was terminated
under section 507(b)(1)(A) check here. ☐F If the foundation is in a 60-month termination
under section 507(b)(1)(B), check here. ☐**Part I Analysis of Revenue and Expenses** (The
total of amounts in columns (b), (c), and (d)
may not necessarily equal the amounts in
column (a) (see instructions))(a) Revenue and
expenses per
books(b) Net investment
income(c) Adjusted net
income(d) Disbursements
for charitable
purposes
(cash basis only)

| | | | | | |
|-----|---|--------------|-------------|----|-------------|
| 1 | Contributions, gifts, grants, etc., received (attach schedule) | 44,078. | | | |
| 2 | Check <input type="checkbox"/> if the foundation is not required to attach Sch. B. | | | | |
| 3 | Interest on savings and temporary cash investments. | 10,110. | 10,110. | | ATCH 1 |
| 4 | Dividends and interest from securities | 5,164,532. | 5,164,532. | | ATCH 2 |
| 5a | Gross rents | | | | |
| b | Net rental income or (loss) | | | | |
| 6a | Net gain or (loss) from sale of assets not on line 10 | 12,120,638. | | | |
| b | Gross sales price for all assets on line 6a | 34,133,961. | | | |
| 7 | Capital gain net income (from Part IV, line 2) | | 11,510,338. | | |
| 8 | Net short-term capital gain | | | | |
| 9 | Income modifications | | | | |
| 10a | Gross sales less returns and allowances | | | | |
| b | Less: Cost of goods sold | | | | |
| c | Gross profit or (loss) (attach schedule) | | | | |
| 11 | Other income (attach schedule) ATCH 3 | 5,170,572. | 4,151,670. | | |
| 12 | Total. Add lines 1 through 11 | 22,509,930. | 20,836,650. | | |
| 13 | Compensation of officers, directors, trustees, etc. | 186,000. | | | 186,000. |
| 14 | Other employee salaries and wages | 2,323,833. | | | 2,323,833. |
| 15 | Pension plans, employee benefits | -108,234. | | | -108,234. |
| 16a | Legal fees (attach schedule) ATCH 4 | 140,334. | | | 140,334. |
| b | Accounting fees (attach schedule) ATCH 5 | 60,041. | 30,021. | | 30,020. |
| c | Other professional fees (attach schedule) [6] | 611,481. | 567,658. | | 43,823. |
| 17 | Interest | | | | |
| 18 | Taxes (attach schedule) (see instructions) [7] | 972,766. | | | |
| 19 | Depreciation (attach schedule) and depletion | 12,439. | | | |
| 20 | Occupancy | 38,493. | | | 38,493. |
| 21 | Travel, conferences, and meetings | 201,444. | | | 201,444. |
| 22 | Printing and publications | | | | |
| 23 | Other expenses (attach schedule) ATCH 8 | 4,639,591. | | | 4,639,591. |
| 24 | Total operating and administrative expenses Add lines 13 through 23 | 9,078,188. | 597,679. | | 7,495,304. |
| 25 | Contributions, gifts, grants paid | 36,474,625. | | | 38,562,604. |
| 26 | Total expenses and disbursements. Add lines 24 and 25 | 45,552,813. | 597,679. | 0. | 46,057,908. |
| 27 | Subtract line 26 from line 12 | | | | |
| a | Excess of revenue over expenses and disbursements | -23,042,883. | | | |
| b | Net investment income (if negative, enter -0-) | | 20,238,971. | | |
| c | Adjusted net income (if negative, enter -0-) | | | | |



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| Part II Balance Sheets | | Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions) | Beginning of year | End of year | |
|-----------------------------|-------------|--|--|----------------|-----------------------|
| | | | (a) Book Value | (b) Book Value | (c) Fair Market Value |
| Assets | 1 | Cash - non-interest-bearing | | | |
| | 2 | Savings and temporary cash investments | 81,100,165. | 81,914,025. | 81,914,025. |
| | 3 | Accounts receivable ▶ | | | |
| | | Less: allowance for doubtful accounts ▶ | | | |
| | 4 | Pledges receivable ▶ | | | |
| | | Less: allowance for doubtful accounts ▶ | | | |
| | 5 | Grants receivable | 50,000. | | |
| | 6 | Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions) | | | |
| | 7 | Other notes and loans receivable (attach schedule) ▶ * | | * 4,363,635. | ATCH 9 |
| | | Less: allowance for doubtful accounts ▶ 150,000. | 9,736,463. | 4,363,635. | 4,363,635. |
| | 8 | Inventories for sale or use | | | |
| | 9 | Prepaid expenses and deferred charges | | | |
| | 10a | Investments - U.S. and state government obligations (attach schedule) [10] | 22,762,272. | 23,154,970. | 23,154,970. |
| | b | Investments - corporate stock (attach schedule) ATCH 11 | 6,507,465. | 6,726,446. | 6,726,446. |
| | c | Investments - corporate bonds (attach schedule) ATCH 12 | 99,283,208. | 98,359,985. | 98,359,985. |
| | Liabilities | 11 | Investments - land, buildings, and equipment basis ▶ | | |
| | | Less: accumulated depreciation (attach schedule) ▶ | | | |
| 12 | | Investments - mortgage loans | | | |
| 13 | | Investments - other (attach schedule) ATCH 13 | 225,990,258. | 218,299,163. | 218,299,163. |
| 14 | | Land, buildings, and equipment basis ▶ 133,756. | | | |
| | | Less: accumulated depreciation (attach schedule) ▶ 107,070. | 36,050. | 26,686. | 26,686. |
| 15 | | Other assets (describe ▶ ATCH 14) | 3,900,094. | 4,771,397. | 4,771,397. |
| 16 | | Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I) | 449,365,975. | 437,616,307. | 437,616,307. |
| 17 | | Accounts payable and accrued expenses | 835,809. | 856,224. | |
| 18 | | Grants payable | 16,888,577. | 14,624,560. | |
| Net Assets or Fund Balances | 19 | Deferred revenue | | | |
| | 20 | Loans from officers, directors, trustees, and other disqualified persons . . | | | |
| | 21 | Mortgages and other notes payable (attach schedule) | | | |
| | 22 | Other liabilities (describe ▶ ATCH 15) | 276,000. | 536,000. | |
| | 23 | Total liabilities (add lines 17 through 22) | 18,000,386. | 16,016,784. | |
| Net Assets or Fund Balances | | Foundations that follow SFAS 117, check here <input checked="" type="checkbox"/> X and complete lines 24 through 26, and lines 30 and 31 | | | |
| | 24 | Unrestricted | 430,629,737. | 420,910,118. | |
| | 25 | Temporarily restricted | 735,852. | 689,405. | |
| | 26 | Permanently restricted | | | |
| | | Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 27 through 31 | | | |
| | 27 | Capital stock, trust principal, or current funds | | | |
| | 28 | Paid-in or capital surplus, or land, bldg., and equipment fund | | | |
| | 29 | Retained earnings, accumulated income, endowment, or other funds . . | | | |
| | 30 | Total net assets or fund balances (see instructions) | 431,365,589. | 421,599,523. | |
| | 31 | Total liabilities and net assets/fund balances (see instructions) | 449,365,975. | 437,616,307. | |

Part III Analysis of Changes in Net Assets or Fund Balances

| | | | |
|---|--|---|--------------|
| 1 | Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return) | 1 | 431,365,589. |
| 2 | Enter amount from Part I, line 27a. | 2 | -23,042,883. |
| 3 | Other increases not included in line 2 (itemize) ▶ ATCH 16 | 3 | 13,276,817. |
| 4 | Add lines 1, 2, and 3 | 4 | 421,599,523. |
| 5 | Decreases not included in line 2 (itemize) ▶ | 5 | |
| 6 | Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30 | 6 | 421,599,523. |

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Part IV Capital Gains and Losses for Tax on Investment Income

| (a) List and describe the kind(s) of property sold (for example, real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co) | | | (b) How acquired P - Purchase D - Donation | (c) Date acquired (mo, day, yr) | (d) Date sold (mo, day, yr) |
|---|--|---|---|------------------------------------|--------------------------------|
| 1 a SEE PART IV SCHEDULE | | | | | |
| b | | | | | |
| c | | | | | |
| d | | | | | |
| e | | | | | |
| (e) Gross sales price | (f) Depreciation allowed (or allowable) | (g) Cost or other basis plus expense of sale | (h) Gain or (loss) ((e) plus (f) minus (g)) | | |
| a | | | | | |
| b | | | | | |
| c | | | | | |
| d | | | | | |
| e | | | | | |
| Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69 | | | | | |
| (i) FMV as of 12/31/69 | (j) Adjusted basis as of 12/31/69 | (k) Excess of col. (i) over col. (j), if any | (l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h)) | | |
| a | | | | | |
| b | | | | | |
| c | | | | | |
| d | | | | | |
| e | | | | | |
| 2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 } | | | 2 | 11,510,338. | |
| 3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) See instructions If (loss), enter -0- in Part I, line 8 | | | 3 | 0. | |

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

If "Yes," the foundation doesn't qualify under section 4940(e). Do not complete this part.

| (a) Base period years Calendar year (or tax year beginning in) | (b) Adjusted qualifying distributions | (c) Net value of noncharitable-use assets | (d) Distribution ratio (col. (b) divided by col. (c)) |
|---|--|--|---|
| 2016 | 38,027,482. | 442,377,535. | 0.085962 |
| 2015 | 47,772,773. | 464,558,360. | 0.102835 |
| 2014 | 58,574,786. | 510,792,573. | 0.114674 |
| 2013 | 55,401,891. | 521,054,281. | 0.106327 |
| 2012 | 50,422,671. | 530,573,376. | 0.095034 |
| 2 Total of line 1, column (d) | | | 2 0.504832 |
| 3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5 0, or by the number of years the foundation has been in existence if less than 5 years | | | 3 0.100966 |
| 4 Enter the net value of noncharitable-use assets for 2017 from Part X, line 5 | | | 4 431,847,733. |
| 5 Multiply line 4 by line 3. | | | 5 43,601,938. |
| 6 Enter 1% of net investment income (1% of Part I, line 27b). | | | 6 202,390. |
| 7 Add lines 5 and 6. | | | 7 43,804,328. |
| 8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions | | | 8 46,060,983. |

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

| | | | |
|----|--|----|----------|
| 1a | Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 | | |
| | Date of ruling or determination letter _____ (attach copy of letter if necessary - see instructions) | | |
| b | Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b | 1 | 202,390. |
| c | All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b) | | |
| 2 | Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only, others, enter -0-) | 2 | |
| 3 | Add lines 1 and 2 | 3 | 202,390. |
| 4 | Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only, others, enter -0-) | 4 | 0. |
| 5 | Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0- | 5 | 202,390. |
| 6 | Credits/Payments | | |
| a | 2017 estimated tax payments and 2016 overpayment credited to 2017 | 6a | 738,235. |
| b | Exempt foreign organizations - tax withheld at source | 6b | |
| c | Tax paid with application for extension of time to file (Form 8868) | 6c | 200,000. |
| d | Backup withholding erroneously withheld | 6d | |
| 7 | Total credits and payments. Add lines 6a through 6d | 7 | 938,235. |
| 8 | Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached | 8 | |
| 9 | Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed | 9 | |
| 10 | Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid | 10 | 735,845. |
| 11 | Enter the amount of line 10 to be Credited to 2018 estimated tax <input checked="" type="checkbox"/> 735,845. Refunded <input type="checkbox"/> | 11 | |

Part VII-A Statements Regarding Activities

| | Yes | No |
|--|-----|----|
| 1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign? | | X |
| b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes? See the instructions for the definition If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities | | X |
| c Did the foundation file Form 1120-POL for this year? | | X |
| d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation <input checked="" type="checkbox"/> \$ _____ (2) On foundation managers <input checked="" type="checkbox"/> \$ _____ | | |
| e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input checked="" type="checkbox"/> \$ _____ | | |
| 2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities | | X |
| 3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes | | X |
| 4a Did the foundation have unrelated business gross income of \$1,000 or more during the year? | X | |
| b If "Yes," has it filed a tax return on Form 990-T for this year? | X | |
| 5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T | | X |
| 6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument? | X | |
| 7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV | X | |
| 8a Enter the states to which the foundation reports or with which it is registered. See instructions <input checked="" type="checkbox"/> NY, <input type="checkbox"/> _____ | | |
| b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation | X | |
| 9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2017 or the tax year beginning in 2017? See the instructions for Part XIV. If "Yes," complete Part XIV | | X |
| 10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses | | X |

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Part VII-A Statements Regarding Activities (continued)

| | Yes | No |
|---|-----|----|
| 11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule See instructions | | X |
| 12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement See instructions | | X |
| 13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ N/A | X | |
| 14 The books are in care of ▶ BRIAN NOVICK Telephone no ▶ 212-396-8850 Located at ▶ 1015 PARK AVENUE NEW YORK, NY ZIP+4 ▶ 10028 | | |
| 15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - check here and enter the amount of tax-exempt interest received or accrued during the year ▶ 15 | | |
| 16 At any time during calendar year 2017, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for FinCEN Form 114 If "Yes," enter the name of the foreign country ▶ ATCH 17 | X | |

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies

| | Yes | No |
|--|-----|----|
| 1a During the year, did the foundation (either directly or indirectly) | | |
| (1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | |
| (5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| (6) Agree to pay money or property to a government official? (Exception Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance? See instructions | | X |
| Organizations relying on a current notice regarding disaster assistance, check here ▶ <input type="checkbox"/> | | |
| c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2017? | | X |
| 2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)) | | |
| a At the end of tax year 2017, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2017? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶ | | |
| b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions) | | |
| c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ | | |
| 3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| b If "Yes," did it have excess business holdings in 2017 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2017) | | |
| 4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? | | X |
| b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2017? | | X |

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Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

| | | | | |
|-----|--|---|--|----|
| 5a | During the year, did the foundation pay or incur any amount to | | Yes | No |
| (1) | Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | |
| (2) | Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | |
| (3) | Provide a grant to an individual for travel, study, or other similar purposes? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | |
| (4) | Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? See instructions | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | |
| (5) | Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | |
| b | If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance? See instructions. | | 5b | X |
| c | If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? . . . ATCH 18 | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | |
| 6a | Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | |
| b | Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | | 6b | X |
| 7a | At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | |
| b | If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? | | 7b | |

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation. See instructions.**

| (a) Name and address | (b) Title, and average hours per week devoted to position | (c) Compensation (If not paid, enter -0-) | (d) Contributions to employee benefit plans and deferred compensation | (e) Expense account, other allowances |
|----------------------|---|---|---|---------------------------------------|
| ATCH 19 | | 186,000. | 34,530. | 0. |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

2 Compensation of five highest-paid employees (other than those included on line 1 - see instructions). If none, enter "NONE."

| (a) Name and address of each employee paid more than \$50,000 | (b) Title, and average hours per week devoted to position | (c) Compensation | (d) Contributions to employee benefit plans and deferred compensation | (e) Expense account, other allowances |
|---|---|------------------|---|---------------------------------------|
| ATCH 20 | | 1,380,512. | 262,695. | 0. |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

Total number of other employees paid over \$50,000. 8

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Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3 Five highest-paid independent contractors for professional services. See instructions. If none, enter "NONE"**

| (a) Name and address of each person paid more than \$50,000 | (b) Type of service | (c) Compensation |
|--|---------------------|------------------|
| ATCH 21 | | 2,465,651. |
| | | |
| | | |
| | | |
| | | |
| | | |
| Total number of others receiving over \$50,000 for professional services | | 7 |

Part IX-A Summary of Direct Charitable Activities

| List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc. | Expenses |
|--|------------|
| 1 PROJECT TO TRANSFORM A HEBREW LANGUAGE LEARNING PROGRAM INTO A DIGITALLY BASED AND INTERACTIVE HEBREW LANGUAGE LEARNING PROGRAM. | 1,122,662. |
| 2 TO DEVELOP PROGRAM TO ENCOURAGE SCHOOLS AND TEACHERS TO ADOPT PERSONALIZED LEARNING EDUCATION INSTRUCTIONS VIA BLENDED AND ONLINE MODALITIES | 590,000. |
| 3 SHORT VIDEO TALKS MODELED ON THE POPULAR TED TALKS WITH THE CENTRAL THEMES OF JEWISH LITERACY, JEWISH RELIGIOUS ENGAGEMENT AND JEWISH PEOPLEHOOD. | 280,000. |
| 4 STUDY TO RESEARCH HOW TO SUCCESSFULLY INCREASE ENROLLMENT IN JEWISH DAY SCHOOLS | 248,923. |

Part IX-B Summary of Program-Related Investments (see instructions)

| Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2 | Amount |
|--|--------|
| 1 NONE | |
| 2 | |
| All other program-related investments See instructions | |
| 3 NONE | |
| Total. Add lines 1 through 3 | |

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Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

| | | | |
|---|---|----|--------------|
| 1 | Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes | | |
| a | Average monthly fair market value of securities | 1a | 391,662,783. |
| b | Average of monthly cash balances | 1b | 46,761,311. |
| c | Fair market value of all other assets (see instructions). | 1c | |
| d | Total (add lines 1a, b, and c) | 1d | 438,424,094. |
| e | Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) | 1e | |
| 2 | Acquisition indebtedness applicable to line 1 assets | 2 | |
| 3 | Subtract line 2 from line 1d | 3 | 438,424,094. |
| 4 | Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions). | 4 | 6,576,361. |
| 5 | Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4 | 5 | 431,847,733. |
| 6 | Minimum investment return. Enter 5% of line 5 | 6 | 21,592,387. |

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations, check here ☐ and do not complete this part.)

| | | | |
|----|---|----|-------------|
| 1 | Minimum investment return from Part X, line 6 | 1 | 21,592,387. |
| 2a | Tax on investment income for 2017 from Part VI, line 5 | 2a | 202,390. |
| b | Income tax for 2017 (This does not include the tax from Part VI) | 2b | |
| c | Add lines 2a and 2b | 2c | 202,390. |
| 3 | Distributable amount before adjustments. Subtract line 2c from line 1 | 3 | 21,389,997. |
| 4 | Recoveries of amounts treated as qualifying distributions | 4 | |
| 5 | Add lines 3 and 4 | 5 | 21,389,997. |
| 6 | Deduction from distributable amount (see instructions). | 6 | |
| 7 | Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1. | 7 | 21,389,997. |

Part XII Qualifying Distributions (see instructions)

| | | | |
|---|---|----|-------------|
| 1 | Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes | | |
| a | Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26 | 1a | 46,057,908. |
| b | Program-related investments - total from Part IX-B | 1b | |
| 2 | Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes | 2 | 3,075. |
| 3 | Amounts set aside for specific charitable projects that satisfy the | | |
| a | Suitability test (prior IRS approval required) | 3a | |
| b | Cash distribution test (attach the required schedule) | 3b | |
| 4 | Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4 | 4 | 46,060,983. |
| 5 | Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b. See instructions | 5 | 202,390. |
| 6 | Adjusted qualifying distributions. Subtract line 5 from line 4 | 6 | 45,858,593. |

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

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Part XIII Undistributed Income (see instructions)

| | (a) Corpus | (b) Years prior to 2016 | (c) 2016 | (d) 2017 |
|--|---------------|----------------------------|-------------|-------------|
| 1 Distributable amount for 2017 from Part XI, line 7 | | | | 21,389,997 |
| 2 Undistributed income, if any, as of the end of 2017 | | | | |
| a Enter amount for 2016 only. | | | | |
| b Total for prior years 20 <u>15</u> , 20 <u>14</u> , 20 <u>13</u> | | | | |
| 3 Excess distributions carryover, if any, to 2017 | | | | |
| a From 2012 | 13,293,250. | | | |
| b From 2013 | 20,534,936. | | | |
| c From 2014 | 33,553,011. | | | |
| d From 2015 | 24,756,201. | | | |
| e From 2016 | 16,269,832. | | | |
| f Total of lines 3a through e | 108,407,230. | | | |
| 4 Qualifying distributions for 2017 from Part XII line 4 ▶ \$ <u>46,060,983.</u> | | | | |
| a Applied to 2016, but not more than line 2a | | | | |
| b Applied to undistributed income of prior years (Election required - see instructions). | | | | |
| c Treated as distributions out of corpus (Election required - see instructions) | | | | |
| d Applied to 2017 distributable amount. | | | | 21,389,997. |
| e Remaining amount distributed out of corpus. | 24,670,986. | | | |
| 5 Excess distributions carryover applied to 2017 (If an amount appears in column (d), the same amount must be shown in column (a)) | | | | |
| 6 Enter the net total of each column as indicated below: | | | | |
| a Corpus Add lines 3f, 4c, and 4e Subtract line 5 | 133,078,216. | | | |
| b Prior years' undistributed income Subtract line 4b from line 2b. | | | | |
| c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed | | | | |
| d Subtract line 6c from line 6b Taxable amount - see instructions | | | | |
| e Undistributed income for 2016 Subtract line 4a from line 2a Taxable amount - see instructions | | | | |
| f Undistributed income for 2017 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2018. | | | | |
| 7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions) | | | | |
| 8 Excess distributions carryover from 2012 not applied on line 5 or line 7 (see instructions) | 13,293,250. | | | |
| 9 Excess distributions carryover to 2018. Subtract lines 7 and 8 from line 6a | 119,784,966. | | | |
| 10 Analysis of line 9 | | | | |
| a Excess from 2013 | 20,534,936. | | | |
| b Excess from 2014 | 33,553,011. | | | |
| c Excess from 2015 | 24,756,201. | | | |
| d Excess from 2016 | 16,269,832. | | | |
| e Excess from 2017 | 24,670,986. | | | |

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Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

NOT APPLICABLE

- 1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2017, enter the date of the ruling

- b** Check box to indicate whether the foundation is a private operating foundation described in section

4942(1)(3) or

4942(1)(5)

- 2 a** Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

- b 85% of line 2a

- C** Qualifying distributions from Part XII, line 4 for each year listed . . .

- d** Amounts included in line 2c not used directly for active conduct of exempt activities . . .

- e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c

- 3** Complete 3a, b or c for the alternative test relied upon

- a "Assets" alternative test - enter

- (1) Value of all assets. . . .

- (2) Value of assets qualifying under section 4942(j)(3)(B)(i)

- b** "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed.

- C "Support" alternative test - enter

- (1) Total support other than gross investment income (interest, dividends, rents payments on securities loans (section 512(a)(5)), or royalties)

- (2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)

- (3) Largest amount of support from an exempt organization.

- (4) Gross investment income .

Part XV **Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year - see instructions.)**

- ## 1 Information Regarding Foundation Managers

- a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2))

N/A

- b** List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

N/A

- 2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**

Check here ☒ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc., to individuals or organizations under other conditions, complete items 2a, b, c, and d. See instructions.

- a The name, address, and telephone number or email address of the person to whom applications should be addressed

- b** The form in which applications should be submitted and information and materials they should include

- c Any submission deadlines

- d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

Part XV Supplementary Information *(continued)***3 Grants and Contributions Paid During the Year or Approved for Future Payment**

| Recipient | If recipient is an individual, show any relationship to any foundation manager or substantial contributor | Foundation status of recipient | Purpose of grant or contribution | Amount |
|---|---|--------------------------------|----------------------------------|-------------|
| Name and address (home or business) | | | | |
| a Paid during the year SEE ATTACHMENT 22 | | | | 38,562,604. |
| Total | | | 3a | 38,562,604. |
| b Approved for future payment SEE ATTACHMENT 23 | | | | 14,624,560. |
| Total | | | 3b | 14,624,560. |

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

| Enter gross amounts unless otherwise indicated | Unrelated business income | | Excluded by section 512, 513, or 514 | | (e) |
|--|---------------------------|---------------|--------------------------------------|---------------|---|
| | (a) Business code | (b) Amount | (c) Exclusion code | (d) Amount | Related or exempt function income (See instructions) |
| 1 Program service revenue | | | | | |
| a _____ | | | | | |
| b _____ | | | | | |
| c _____ | | | | | |
| d _____ | | | | | |
| e _____ | | | | | |
| f _____ | | | | | |
| g Fees and contracts from government agencies | | | | | |
| 2 Membership dues and assessments | | | | | |
| 3 Interest on savings and temporary cash investments | | | 14 | 10,110. | |
| 4 Dividends and interest from securities | | | 14 | 5,164,532. | |
| 5 Net rental income or (loss) from real estate | | | | | |
| a Debt-financed property | | | | | |
| b Not debt-financed property | | | | | |
| 6 Net rental income or (loss) from personal property | | | | | |
| 7 Other investment income | 525990 | 1,018,902. | 18 | 4,151,670. | |
| 8 Gain or (loss) from sales of assets other than inventory | 525990 | 610,300. | 18 | 11,510,338. | |
| 9 Net income or (loss) from special events | | | | | |
| 10 Gross profit or (loss) from sales of inventory | | | | | |
| 11 Other revenue a _____ | | | | | |
| b _____ | | | | | |
| c _____ | | | | | |
| d _____ | | | | | |
| e _____ | | | | | |
| 12 Subtotal Add columns (b), (d), and (e) | | 1,629,202. | | 20,836,650. | |
| 13 Total Add line 12, columns (b), (d), and (e) | | | | | 22,465,852. |

(See worksheet in line 13 instructions to verify calculations)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

[illegible]

Schedule of Contributors

OMB No 1545-0047

2017

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF
▶ Go to www.irs.gov/Form990 for the latest information.

Name of the organization

THE AVI CHAI FOUNDATION

Employer identification number

13-3252800

Organization type (check one)

Filers of:

Section.

Form 990 or 990-EZ

☐ 501(c)() (enter number) organization

☐ 4947(a)(1) nonexempt charitable trust not treated as a private foundation

☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation

☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation

☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the General Rule or a Special Rule.

Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

- ☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

- ☐ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000, or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the General Rule applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year. . . . ▶ \$

Caution An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization **THE AVI CHAI FOUNDATION**Employer identification number
13-3252800**Part I** **Contributors** (see instructions) Use duplicate copies of Part I if additional space is needed

| (a) No. | (b) Name, address, and ZIP + 4 | (c) Total contributions | (d) Type of contribution |
|------------|---|----------------------------|---|
| 1 | KEREN KESHET - THE RAINBOW FOUNDATION 1015 PARK AVENUE NEW YORK, NY 11101 | \$ 44,078. | Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions) |
| | | \$ | Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions) |
| | | \$ | Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions) |
| | | \$ | Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions) |
| | | \$ | Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions) |
| | | \$ | Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions) |
| | | \$ | Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions) |

Name of organization THE AVI CHAI FOUNDATION

Employer identification number

13-3252800

Part II Noncash Property (see instructions) Use duplicate copies of Part II if additional space is needed

| (a) No. from Part I | (b) Description of noncash property given | (c) FMV (or estimate) (See instructions) | (d) Date received |
|---------------------------|--|---|----------------------|
| | | \$ | |
| | | \$ | |
| | | \$ | |
| | | \$ | |
| | | \$ | |
| | | \$ | |
| | | \$ | |
| | | \$ | |
| | | \$ | |
| | | \$ | |

Name of organization THE AVI CHAI FOUNDATION

Employer identification number

13-3252800

Part III. Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once. See instructions.) ▶ \$ _____

Use duplicate copies of Part III if additional space is needed.

| (a) No from Part I | (b) Purpose of gift | (c) Use of gift | (d) Description of how gift is held |
|--------------------|---|-----------------|--|
| | | | |
| | | | |
| | | | |
| | (e) Transfer of gift | | |
| | Transferee's name, address, and ZIP + 4 | | Relationship of transferor to transferee |
| | | | |
| | | | |
| | | | |
| | (e) Transfer of gift | | |
| | Transferee's name, address, and ZIP + 4 | | Relationship of transferor to transferee |
| | | | |
| | | | |
| | | | |
| | (e) Transfer of gift | | |
| | Transferee's name, address, and ZIP + 4 | | Relationship of transferor to transferee |
| | | | |
| | | | |
| | | | |
| | (e) Transfer of gift | | |
| | Transferee's name, address, and ZIP + 4 | | Relationship of transferor to transferee |
| | | | |
| | | | |
| | | | |
| | (e) Transfer of gift | | |
| | Transferee's name, address, and ZIP + 4 | | Relationship of transferor to transferee |
| | | | |
| | | | |
| | | | |

ATTACHMENT 1FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS

| <u>DESCRIPTION</u> | <u>REVENUE AND EXPENSES PER BOOKS</u> | <u>NET INVESTMENT INCOME</u> |
|--------------------|---|--------------------------------------|
| CITIBANK | 10,110. | 10,110. |
| TOTAL | <u>10,110.</u> | <u>10,110.</u> |

ATTACHMENT 2FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

| <u>DESCRIPTION</u> | <u>REVENUE AND EXPENSES PER BOOKS</u> | <u>NET INVESTMENT INCOME</u> |
|------------------------|---|--------------------------------------|
| DIVIDENDS AND INTEREST | 5,164,532. | 5,164,532. |
| TOTAL | <u>5,164,532.</u> | <u>5,164,532.</u> |

ATTACHMENT 3FORM 990PF, PART I - OTHER INCOME

| DESCRIPTION | REVENUE AND EXPENSES PER BOOKS | NET INVESTMENT INCOME |
|-----------------------------|---|-----------------------------|
| FOREIGN EXCHANGE NET LOSSES | -361,963. | -361,963. |
| INCOME FROM PARTNERSHIPS | 5,532,535. | 4,513,633. |
| TOTALS | <u>5,170,572.</u> | <u>4,151,670.</u> |

ATTACHMENT 4FORM 990PF, PART I - LEGAL FEES

| <u>DESCRIPTION</u> | <u>REVENUE AND EXPENSES PER BOOKS</u> | <u>NET INVESTMENT INCOME</u> | <u>ADJUSTED NET INCOME</u> | <u>CHARITABLE PURPOSES</u> |
|--------------------------------|---|--------------------------------------|------------------------------------|--------------------------------|
| PATTERSON BELKNAP WEBB & TYLER | 140,334. | | | 140,334. |
| TOTALS | <u>140,334.</u> | | | <u>140,334.</u> |

ATTACHMENT 5FORM 990PF, PART I - ACCOUNTING FEES

| <u>DESCRIPTION</u> | <u>REVENUE AND EXPENSES PER BOOKS</u> | <u>NET INVESTMENT INCOME</u> | <u>ADJUSTED NET INCOME</u> | <u>CHARITABLE PURPOSES</u> |
|--------------------|---|--------------------------------------|------------------------------------|--------------------------------|
| BERDON LLP | 60,041. | 30,021. | | 30,020. |
| TOTALS | <u>60,041.</u> | <u>30,021.</u> | | <u>30,020.</u> |

ATTACHMENT 6FORM 990PF, PART I - OTHER PROFESSIONAL FEES

| <u>DESCRIPTION</u> | <u>REVENUE AND EXPENSES PER BOOKS</u> | <u>NET INVESTMENT INCOME</u> | <u>CHARITABLE PURPOSES</u> |
|---------------------------|---|--------------------------------------|--------------------------------|
| WELLINGTON TRUST COMPANY | 51,081. | 51,081. | |
| PICTET MANAGEMENT FEES | 103,831. | 103,831. | |
| INVESTMENT BROKERAGE FEES | 412,746. | 412,746. | |
| OTHER | 43,823. | | 43,823. |
| TOTALS | <u>611,481.</u> | <u>567,658.</u> | <u>43,823.</u> |

ATTACHMENT 7FORM 990PF, PART I - TAXES

| <u>DESCRIPTION</u> | <u>REVENUE AND EXPENSES PER BOOKS</u> |
|--------------------------------|---|
| FEDERAL EXCISE TAXES | 709,288. |
| STATE UNRELATED BUSINESS TAXES | 3,478. |
| CHANGE IN DEFERRED TAXES | 260,000. |
| TOTALS | <u>972,766.</u> |

ATTACHMENT 8FORM 990PF, PART I - OTHER EXPENSES

| DESCRIPTION | REVENUE AND EXPENSES PER BOOKS | CHARITABLE PURPOSES |
|-------------------------------|---|------------------------|
| INSURANCE | 85,337. | 85,337. |
| TELEPHONE | 25,146. | 25,146. |
| POSTAGE AND DELIVERY | 11,577. | 11,577. |
| DIRECT CHARITABLE ACTIVITIES | 4,443,042. | 4,443,042. |
| OFFICE SUPPLIES | 6,213. | 6,213. |
| REPAIRS AND MAINTENANCE | 60,743. | 60,743. |
| BOOKS, SUBSCRIPTION & JOURNAL | 7,533. | 7,533. |
| TOTALS | <u>4,639,591.</u> | <u>4,639,591.</u> |

ATTACHMENT 9FORM 990PF, PART II - OTHER NOTES AND LOANS RECEIVABLE

BORROWER: SEE ATTACHMENT 9A

BEGINNING BALANCE DUE 9,736,463.

ENDING BALANCE DUE 4,363,635.ENDING FAIR MARKET VALUE 4,363,635.TOTAL BEGINNING OTHER NOTES AND LOANS RECEIVABLE 9,736,463.TOTAL ENDING BOOK - OTHER NOTES AND LOANS RECEIVABLE 4,363,635.TOTAL ENDING FMV - OTHER NOTES AND LOANS RECEIVABLE 4,363,635.

THE AVI CHAI FOUNDATION
OTHER NOTES AND LOANS RECEIVABLE - FORM 990-PF, PART II
December 31, 2017

13-3252800

| Borrower | Beginning of year book value | End of year | |
|--|---------------------------------|-------------|-------------------|
| | | Book Value | Fair Market Value |
| Anne & Max Tanenbaum Community Hebrew Academy of Toronto | 450,000 | 250,000 | 250,000 |
| Bais Rivkah Rochel | 500,000 | 300,000 | 300,000 |
| Bialik Hebrew Day School | 400,000 | 200,000 | 200,000 |
| Bnai Brith Mens Camp Association | 225,000 | 125,000 | 125,000 |
| Camp Ramah New England | 100,000 | - | - |
| Harry B Kellman Academy | 332,500 | 292,500 | 292,500 |
| Rabbi Harry H Epstein School | 500,000 | 350,000 | 350,000 |
| Ramah Darom | 450,000 | 250,000 | 250,000 |
| Talmudic College of Florida, Inc | 168,750 | 93,750 | 93,750 |
| Akiva School Canada | 215 | - | - |
| Bais Chaya, Inc dba Rohr Bais Chaya Academy | 162,500 | - | - |
| Bais Yaakov High School | 500,000 | 300,000 | 300,000 |
| Beth Gavriel Bukaharian Congregation | 403,100 | 74,700 | 74,700 |
| Beth Yeshurun Day School | 50,000 | - | - |
| Camp Crane Lake | 447,300 | 248,500 | 248,500 |
| Camp Newman | 350,000 | 150,000 | 150,000 |
| Camp Young Judaea, Inc | 150,000 | - | - |
| Children with Hidden Intelligence | 300,000 | - | - |
| CJ Properties | 250,000 | 100,000 | 100,000 |
| Fresh Air Society of Detroit dba Tamarack Camps | 135,000 | 45,000 | 45,000 |
| Gan Yisrael N E | 385,000 | - | - |
| Greater Miami Hebrew Academy | 180,000 | 120,000 | 120,000 |
| Habonim Camp Kvutza #2 | 60,000 | 30,000 | 30,000 |
| Hamonim Camp Kvutza | 50,000 | 12,500 | 12,500 |
| Hebrew High School of New England | 80,000 | - | - |
| Herzl Camp Association | 300,000 | 100,000 | 100,000 |
| Interlaken | 100,000 | - | - |
| Maimonides Hebrew Day School | 37,500 | 7,500 | 7,500 |
| Marcus JCC | 450,000 | 250,000 | 250,000 |
| Masores Bais Yaakov | 75,000 | - | - |
| Menacham Mendel Seattle Cheder | 60,000 | - | - |
| National Ramah Commission | 100,000 | 62,500 | 62,500 |
| Northend Jewish School dba Seattle Jewish Community School | 125,000 | 75,000 | 75,000 |
| Ohr Yitzchok | 330,000 | 210,000 | 210,000 |
| Ramah of the Berkshires | 148,500 | - | - |
| Rockland Jewish Academy | 90,000 | - | - |
| Sefardic Gan | 700,000 | 420,000 | 420,000 |
| Shalom Torah Centers | 565,000 | - | - |
| Torah Academy Bergen County | 400,000 | 200,000 | 200,000 |
| Toras Emes - Miami | 280,000 | 120,000 | 120,000 |
| Vancouver Talmud Torah | 300,000 | 180,000 | 180,000 |
| Yeshivah Beth Yehuda | 300,000 | 100,144 | 100,144 |
| Yeshivah of Spring Valley | 150,000 | - | - |
| Yeshivas Noviminsk | 25,000 | - | - |
| Discount on Loans Receivable | -435,690 | -153,459 | -153,459 |
| Allowance for Doubtful Accounts | -993,212 | -150,000 | -150,000 |
| Total | 9,736,463 | 4,363,635 | 4,363,635 |

FORM 990PF, PART II - U.S. AND STATE OBLIGATIONS

| <u>DESCRIPTION</u> | <u>BEGINNING BOOK VALUE</u> | <u>ATTACHMENT 10</u> | |
|-------------------------------|---------------------------------|------------------------------|-----------------------|
| | | <u>ENDING BOOK VALUE</u> | <u>ENDING FMV</u> |
| SANFORD BERNSTEIN CONSTR ACCT | 672,098. | 680,386. | 680,386. |
| SANFORD BERN DEF RENT ACCT | 22,090,174. | 22,474,584. | 22,474,584. |
| US OBLIGATIONS TOTAL | <u>22,762,272.</u> | <u>23,154,970.</u> | <u>23,154,970.</u> |

ATTACHMENT 11FORM 990PF, PART II - CORPORATE STOCK

| <u>DESCRIPTION</u> | <u>BEGINNING BOOK VALUE</u> | <u>ENDING BOOK VALUE</u> | <u>ENDING FMV</u> |
|-------------------------|---------------------------------|------------------------------|-----------------------|
| INTERNATIONAL 105-00003 | 6,507,465. | 6,726,446. | 6,726,446. |
| TOTALS | <u>6,507,465.</u> | <u>6,726,446.</u> | <u>6,726,446.</u> |

ATTACHMENT 12FORM 990PF, PART II - CORPORATE BONDS

| <u>DESCRIPTION</u> | <u>BEGINNING BOOK VALUE</u> | <u>ENDING BOOK VALUE</u> | <u>ENDING FMV</u> |
|----------------------------|---------------------------------|------------------------------|-----------------------|
| PICTET GOV'T OBLIGATIONS | 38,213,048. | 28,363,761. | 28,363,761. |
| S BERSTEIN - FOREIGN BONDS | 61,070,160. | 69,996,224. | 69,996,224. |
| TOTALS | <u>99,283,208.</u> | <u>98,359,985.</u> | <u>98,359,985.</u> |

FORM 990PF, PART II - OTHER INVESTMENTSATTACHMENT 13

| <u>DESCRIPTION</u> | <u>BEGINNING BOOK VALUE</u> | <u>ENDING BOOK VALUE</u> | <u>ENDING FMV</u> |
|--------------------------------|---------------------------------|------------------------------|-----------------------|
| VANGUARD 500 | 77,909. | 94,789. | 94,789. |
| THE MERGER FUND | 6,241,167. | 5,165,419. | 5,165,419. |
| VANGUARD TOTAL STOCK MARKET | 5,287,706. | 5,169,905. | 5,169,905. |
| VANGUARD INST DEVELOP MARKET | 11,768,534. | 10,272,171. | 10,272,171. |
| VANGUARD GROWTH INDEX FUND | 5,445,661. | 5,038,562. | 5,038,562. |
| VANGUARD EMERGING MARKETS | 6,727,622. | 5,995,249. | 5,995,249. |
| THE ROYCE OPPORTUNITY FUND | 4,460,065. | 4,381,383. | 4,381,383. |
| AMBER FUND LTD | 5,758,094. | 1,342,444. | 1,342,444. |
| ALLY FINANCIAL INC | 1,014,393. | 1,555,190. | 1,555,190. |
| CERBERUS CG INVESTORS | 136,324. | 19,367. | 19,367. |
| D PARTNERS II CAYMAN LP | 2,086,897. | 1,902,920. | 1,902,920. |
| D PARTNERS II CAYMAN ANNEX FND | 449,739. | 381,421. | 381,421. |
| D PARTNERS BVI LP | 170,714. | 121,995. | 121,995. |
| E2M VALUE ADDED FUND LP | 935,187. | 97,346. | 97,346. |
| WELLINGTON FUND | 8,087,306. | 7,588,327. | 7,588,327. |
| SANDLER CAPITAL PARTNERS V LP | 2,774,488. | 3,161,330. | 3,161,330. |
| V PARTNERS III LP | 5,787,893. | 4,946,089. | 4,946,089. |
| BAUPOST VALUE PARTNERS, LP IV | 129,358,967. | 128,587,594. | 128,587,594. |
| PICTET - INVESTMENT IN GOLD | 24,411,194. | 27,509,889. | 27,509,889. |
| GRUSS OFFSHORE ARBITRAGE FUND | 80,811. | 114,069. | 114,069. |
| VANGUARD SMALL CAP GR IDX INST | 4,929,587. | 4,853,704. | 4,853,704. |
| TOTALS | <u>225,990,258.</u> | <u>218,299,163.</u> | <u>218,299,163.</u> |

ATTACHMENT 14FORM 990PF, PART II - OTHER ASSETS

| <u>DESCRIPTION</u> | <u>BEGINNING BOOK VALUE</u> | <u>ENDING BOOK VALUE</u> | <u>ENDING FMV</u> |
|-----------------------------|---------------------------------|------------------------------|-----------------------|
| PREPAID PENSION COST | 3,107,609. | 3,958,847. | 3,958,847. |
| NOTES REC. AND OTHER ASSETS | 792,485. | 812,550. | 812,550. |
| TOTALS | <u>3,900,094.</u> | <u>4,771,397.</u> | <u>4,771,397.</u> |

ATTACHMENT 15FORM 990PF, PART II - OTHER LIABILITIES

| <u>DESCRIPTION</u> | <u>BEGINNING BOOK VALUE</u> | <u>ENDING BOOK VALUE</u> |
|----------------------|---------------------------------|------------------------------|
| DEFERRED TAX ACCRUAL | 276,000. | 536,000. |
| TOTALS | <u>276,000.</u> | <u>536,000.</u> |

ATTACHMENT 16FORM 990PF, PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCES

| <u>DESCRIPTION</u> | <u>AMOUNT</u> |
|--|--------------------|
| UNREALIZED GAIN ON INVESTMENTS | 12,993,949. |
| IMPUTED INTEREST ON SCHOOL AND CAMP LOAN | 282,868. |
| TOTAL | <u>13,276,817.</u> |

FORM 990PF, PART VII-A, LINE 16 - LIST OF FOREIGN COUNTRIES

ISRAEL

SWITZERLAND

ATTACHMENT 18FORM 990PF, PART VII-B, LINE 5C-EXPENDITURE RESPONSIBILITY STATEMENT

GRANTEE'S NAME: AVI CHAI ISRAEL
GRANTEE'S ADDRESS: 44 KING GEORGE STREET
CITY, STATE & ZIP: JERUSALEM
FOREIGN COUNTRY: ISRAEL
GRANT DATE: 12/31/2017
GRANT AMOUNT: 23,161,620.
GRANT PURPOSE: TO ENCOURAGE GREATER COMMITMENT TO JEWISH OBSERVANCE
& LIFESTYLE TO ENCOURGE MUTUAL UNDERSTANDING.
AMOUNT EXPENDED: 17,559,000.
ANY DIVERSION? NO
DATES OF REPORTS: 1/1/2017-12/31/2017
VERIFICATION DATE: 06/13/2018
RESULTS OF VERIFICATION:
NO KNOWLEDGE THAT THE GRANTEE HAS DIVESTED ANY PORTION OF THE FUNDS
FROM THE PURPOSE OF THE GRANT.

GRANTEE'S NAME: ITALAM.ORG
GRANTEE'S ADDRESS: 4600 THIMENS
CITY, STATE & ZIP: VILLE ST. LAURENT
FOREIGN PROVINCE: QUEBEC
FOREIGN COUNTRY: CANADA
GRANT DATE: 06/26/2017
GRANT AMOUNT: 1,501,495.
GRANT PURPOSE: TO CONVERT THE TAL AM JEWISH STUDIES CURRICULUM INTO
A DIGITAL CURRICULUM
AMOUNT EXPENDED: 1,501,495.
ANY DIVERSION? NO
DATES OF REPORTS: 1/1/2017 - 12/31/2017
VERIFICATION DATE: 04/17/2018
RESULTS OF VERIFICATION:
NO KNOWLEDGE THAT THE GRANTEE HAS DIVESTED ANY PORTION OF THE FUNDS
FROM THE PURPOSE OF THE GRANT.

GRANTEE'S NAME: AVI CHAI ISRAEL
GRANTEE'S ADDRESS: 44 KING GEORGE STREET
CITY, STATE & ZIP: JERUSALEM
FOREIGN COUNTRY: ISRAEL
GRANT DATE: 08/16/2017
GRANT AMOUNT: 44,078.
GRANT PURPOSE: ACCOMODATION GRANT OF THE USE OF AN APARTMENT IN
JERUSALEM TO PROVIDE CHARITABLE AND EDUCATION
AMOUNT EXPENDED: 44,078.
ANY DIVERSION? NO
DATES OF REPORTS: 1/01/2017-12/31/2017
VERIFICATION DATE: 12/31/2017
RESULTS OF VERIFICATION:
NO KNOWLEDGE THAT THE GRANTEE HAS DIVESTED ANY PORTION OF THE FUNDS
FROM THE PURPOSE OF THE GRANT.

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEESATTACHMENT 19

| <u>NAME AND ADDRESS</u> | <u>TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION</u> | <u>COMPENSATION</u> | <u>CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS</u> | <u>EXPENSE ACCT AND OTHER ALLOWANCES</u> |
|--|---|---------------------|--|--|
| ALAN FELD 1015 PARK AVENUE NEW YORK, NY 10028 | TRUSTEE 1.00 | 0. | 0. | 0. |
| ARTHUR W. FRIED 1015 PARK AVENUE NEW YORK, NY 10028 | TRUSTEE 40.00 | 0. | 0. | 0. |
| AVITAL DARMON 1015 PARK AVENUE NEW YORK, NY 10028 | TRUSTEE 2.00 | 22,000. | 0. | 0. |
| GEORGE ROHR 1015 PARK AVENUE NEW YORK, NY 10028 | TRUSTEE 1.00 | 0. | 0. | 0. |
| LAUREN K. MERKIN 1015 PARK AVENUE NEW YORK, NY 10028 | TRUSTEE 2.00 | 0. | 0. | 0. |
| LIEF ROSENBLATT 1015 PARK AVENUE NEW YORK, NY 10028 | TRUSTEE 2.00 | 0. | 0. | 0. |

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEESATTACHMENT 19 (CONT'D)

| NAME AND ADDRESS | TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION | COMPENSATION | CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS | EXPENSE ACCT AND OTHER ALLOWANCES |
|---|---|--------------|---|---|
| MEIR BUZAGLO 1015 PARK AVENUE NEW YORK, NY 10028 | TRUSTEE 1.00 | 22,000. | 0. | 0. |
| MEM BERNSTEIN 1015 PARK AVENUE NEW YORK, NY 10028 | CHAIRMAN 40.00 | 0. | 0. | 0. |
| RUTH WISSE 1015 PARK AVENUE NEW YORK, NY 10028 | TRUSTEE 1.00 | 22,000. | 0. | 0. |
| MARLENE WASSERMAN 1015 PARK AVENUE NEW YORK, NY 10028 | SECRETARY 40.00 | 120,000. | 34,530. | 0. |
| GRAND TOTALS | | 186,000. | 34,530. | 0. |

990PF, PART VIII - COMPENSATION OF THE FIVE HIGHEST PAID EMPLOYEES

| NAME AND ADDRESS | TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION | COMPENSATION | ATTACHMENT 20 | |
|---|--|--------------|---|----|
| | | | CONTRIBUTIONS EXPENSE ACCT TO EMPLOYEE AND OTHER BENEFIT PLANS ALLOWANCES | |
| JOEL B PRAGER 284 RUTLAND AVENUE TEANECK, NJ 07666 | EXECUTIVE DIRECTOR 40.00 | 427,512. | 53,051. | 0. |
| SUSAN M KARDOS 45 OAK AVENUE TENAFLY, NJ 07670 | PROGRAM OFFICER 40.00 | 252,000. | 52,671. | 0. |
| JOEL EINLEGER 2727 PALISADE AVENUE BRONX, NY 10463 | PROGRAM OFFICER 40.00 | 240,000. | 52,451. | 0. |
| DEENA K FUCHS 131 PARK STREET WOODMERE, NY 11598 | PROGRAM OFFICER 40.00 | 245,000. | 52,551. | 0. |
| RACHEL ABRAHAMS MOHL 2149 EAST 34TH STREET BROOKLYN, NY 11234 | PROGRAM OFFICER 40.00 | 216,000. | 51,971. | 0. |
| TOTAL COMPENSATION | | 1,380,512. | 262,695. | 0. |

990PF, PART VIII- COMPENSATION OF THE FIVE HIGHEST PAID PROFESSIONALSATTACHMENT 21

| <u>NAME AND ADDRESS</u> | <u>TYPE OF SERVICE</u> | <u>COMPENSATION</u> |
|--|------------------------|---------------------|
| SEE3 COMMUNICATIONS 1222 WEST WILSON #2E CHICAGO, IL 60640 | CONSULTING | 280,000. |
| CET LEARNING ENVIROMENTS FOR HOME LTD 16 KLAUSNER RAMAT AVIV TEL AVIV ISRAEL | CONSULTING | 1,122,662. |
| BETTERLESSON INC 84 SHERMAN STREET CAMBRIDGE, MA 02140 | CONSULTING | 590,000. |
| MEASURING SUCCESS LLC 1629 K STREET NW, SUITE 604 WASHINGTON, DC 20006 | CONSULTING | 248,923. |
| ROSOV CONSULTING 2095 ROSE STREET, STE. 101 BERKELEY, CA 94709 | CONSULTING | 224,066. |
| TOTAL COMPENSATION | | <u>2,465,651.</u> |

THE AVI CHAI FOUNDATION

EIN # 13-3252800

12/31/2017

FORM 990 PF, PART IV - LINE 2 REALIZED GAINS AND LOSSES SUMMARY

| <u>Description</u> | <u>Gross proceeds</u> | <u>Cost</u> | <u>Gains/(Losses)</u> |
|--|-----------------------|-------------------|-----------------------|
| Merger Fund | 1,200,000 | 1,220,613 | (20,613) |
| Royce Opportunity Fund | 890,000 | 806,724 | 83,276 |
| Pictet | 18,051,336 | 18,164,667 | (113,331) |
| Construction Account | 528,138 | 528,567 | (429) |
| Total Stock Market Index (Institutional) | 1,050,000 | 680,421 | 369,579 |
| Growth Index Fund Institutional | 1,590,000 | 1,032,599 | 557,401 |
| Developed Markets Index (Institutional) | 3,850,000 | 3,587,434 | 262,566 |
| Small Cap Growth Index (Institutional) | 985,000 | 689,886 | 295,114 |
| Emerging Markets Stock Institutional | 2,345,000 | 2,238,413 | 106,587 |
| Int'l Value Account | 3,644,487 | 3,343,285 | 301,202 |
| | <u>34,133,961</u> | <u>32,292,609</u> | <u>1,841,352</u> |

CAPITAL GAINS (LOSSES) FROM PASS-THROUGH PARTNERSHIPS

| | | |
|---------------------------------------|-------------------|-------------------|
| Amber Fund Ltd | | 2,390,552 |
| Cerberus CG Investors et al | | 190,025 |
| D Partners II (Cayman) LP | | (41,811) |
| D Partners II (Cayman) Annex Fund, LP | | 28,606 |
| D Partners (BVI) LP | | 8,853 |
| V Partners III (Cayman) Fund LP | | 758,298 |
| E2M Value Added Fund, LP | | (108,622) |
| Gross Arbitrage Master Fund, Ltd | | 903 |
| Sandler Capital Partners, VFTE, LP | | 2,450 |
| Wellington Fund LP | | 1,500,549 |
| Baupost Value Partners, LP-IV | | 4,939,183 |
| | <u>-</u> | <u>9,668,986</u> |
| | <u>34,133,961</u> | <u>32,292,609</u> |
| | <u>34,133,961</u> | <u>11,510,338</u> |