

THE HEBREW FREE LOAN SOCIETY

BAR/BAT MITZVAH *toolkit*



HEBREW FREE  
LOAN SOCIETY

**125 YEARS**

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IMPROVING LIVES THROUGH LENDING

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Mazel  
Tov!

**CONGRATULATIONS ON REACHING THIS MILESTONE AND THANK YOU FOR SHARING IT WITH US!** We are honored that you are thinking of including the Hebrew Free Loan Society as part of your Bar or Bat Mitzvah. This toolkit will give you some information about HFLS as well as information on how to start your fundraising campaign.

We are here to help you make your project a success!

**PLEASE CALL OR EMAIL US WITH ANY QUESTIONS**

**212.687.0188 X212**

**CELEBRATIONS@HFLS.ORG**

**WE LOOK FORWARD TO WORKING WITH YOU. THANK YOU AND MAZEL TOV!!**

*Let the journey  
begin!*

# What is HFLS?

**THE HEBREW FREE LOAN SOCIETY WAS FOUNDED IN 1892** by a group of ten neighbors living on the Lower East Side, which was home to hundreds of thousands of Jewish immigrants, most of whom lived in poverty. These friends took inspiration from the ancient Jewish tradition of interest-free lending. They pooled \$95 to create an interest-free loan fund and made loans of just a few dollars to help people pay their rent, pay a doctor's bill, or support their families by starting pushcart businesses. **Within the first year, they turned their initial \$95 into over \$1,000 in loans by recycling the money as it was repaid. Since the beginning, HFLS has been nonsectarian - helping those in need regardless of religious affiliation.**



**TODAY, THE HEBREW FREE LOAN SOCIETY CONTINUES TO HELP NEW YORKERS IN NEED WEATHER FINANCIAL EMERGENCIES AND INVEST IN THEIR FUTURES.** Our interest-free loans help those in need with a wide variety of expenses: covering the costs to adopt a child, start a business, paying tuition for college and graduate school, paying hospital or doctor's bills, and paying for emergencies - like home repairs, moving expenses, or catching up on bills after being unemployed.

*In 2017,*  
**WE LENT OVER \$11 MILLION TO ALMOST 1,000 PEOPLE  
AND MAINTAINED OUR 99% REPAYMENT RATE!**

# STEPS *for your* MITZVAH PROJECT

**1** Learn about interest-free lending and HFLS by reading this guide and visiting our website, [hfls.org](http://hfls.org).

**2** When you're ready to start, email us at [celebrations@hfls.org](mailto:celebrations@hfls.org) or call **212.687.0188 x212**.

**3** Next, we'll help you set up a customized fundraising page with photos, videos, information about you, and why you're interested in HFLS.

**4** Set fundraising goals. (see page 11)

**5** Invite your friends and family members to support your project! See page 9 in this guide for ideas on how to reach out.

**6** Together with UJA-Federation, we can help you plan a community service project, or you can elect to visit some of the businesses that have been started with the help of interest-free loans from HFLS. (Optional, but encouraged.)

**7** Plan ways that you can include HFLS in your celebration, including talking about interest-free lending with your Hebrew school class or including the Jewish values of interest-free lending in your dvar Torah.

Why

# INTEREST-FREE LOANS?

## FINANCIAL NEED $\neq$ POVERTY

### MANY PEOPLE IN NEW YORK CITY ARE IN FINANCIAL NEED OR ARE LOW-TO MODERATE-INCOME, BUT WHAT DOES THAT MEAN?

Imagine that you earn just enough money to pay for your general bills and needs like rent, phone, electricity, food, etc.\*

Then, imagine that you have an emergency, like a broken leg, and you have to go to the ER. Or the car you used to get to work breaks down, or you want to go to graduate school so that you can pursue a higher-paid career, but you don't have the savings to pay for it.

What do you do when faced with a large, unexpected bill?

This is where the Hebrew Free Loan Society steps in!

**We would help you pay for these expenses by giving you an interest-free loan.**

### WHY BORROW FROM HFLS AND NOT A BANK?

People with little credit history can face serious challenges getting a loan from a traditional bank. Additionally, most banks simply do not provide small loans for personal expenses – they expect that most people will put these on high-interest credit cards, which can become extremely expensive.

*did you know...*

**\*IT'S COMMON FOR PEOPLE TO NOT HAVE SAVINGS AT ALL.**

According to a recent Pew study, a quarter of Americans said they wouldn't be able to come up with \$400 in an emergency if they needed it.

Why

## INTEREST-FREE LOANS?

continued...

What is

## CREDIT HISTORY?

Credit history is a history of your relationship with financial institutions, like banks and credit card companies. It shows the accounts you've opened – and how you've used them. It's used to determine your "credit-worthiness" – how eligible you are to take out loans to pay for college, buy a car, or buy a home. **HFLS often helps people who have little or no credit history who would struggle to take loans from a traditional bank.**

**NEARLY ONE IN FOUR JEWISH HOUSEHOLDS IN NEW YORK CITY IS CONSIDERED POOR OR NEAR-POOR.**

**ACCORDING TO THE UJA-FEDERATION SPECIAL REPORT ON POVERTY, THE VAST MAJORITY OF PEOPLE LIVING IN POOR JEWISH HOUSEHOLDS SAY THAT THEY ARE JUST MANAGING TO MAKE ENDS MEET.**

**WHEN YOU'RE JUST MANAGING TO MAKE ENDS MEET, IT CAN BE EXTREMELY CHALLENGING TO:**

- Save for the future
- Get out of debt
- Deal with an emergency
- Pay for expensive medical needs
  - Pay for college
  - Start a business

Why

# INTEREST-FREE LOANS?

*continued...*



**INTEREST**  
*adds up!*

## BANK LOAN *vs.* HFLS LOAN

Let's say you borrow **\$10,000** from a bank with 40 months to pay it off. With a typical interest rate of 12.75%, after 40 months, you will have paid **\$12,327.20** in total, and your monthly payment would be **\$308.18**.

Let's say that you take out a **\$10,000** loan with 25% interest - the highest amount permissible in New York State. After 40 months, you will have paid **\$14,836.80** in total. Your monthly payment would be **\$370.92**.

When you borrow **\$10,000** from the Hebrew Free Loan Society, you also have 40 months to pay it back. **After 40 months, you will have paid back \$10,000 – nothing more. Your monthly payment would be \$250.**

**FOR PEOPLE IN NEED, BORROWING MONEY INTEREST-FREE CAN MAKE IT POSSIBLE TO BE ABLE TO AFFORD A LOAN.**

Ironically, the more money you have, the easier it is to borrow at affordable rates. For many low-income people, the high cost of fees and interest can make borrowing money out of reach.

# interest-free LOANS IN ACTION!



**MEET CHAYA AND SIMI**  
*owners of The Frock*

“My sister Simi and I have always loved fashion and dreamed of starting our own clothing line. We started designing clothes that adhere to Jewish laws of modesty but redefine what people think modest fashion is. We launched The Frock in 2010 with just one design idea, and we continued to create more and more.

Word started spreading and the business kept growing, but we didn't have the money to invest to keep up with demand.

When we applied for and were approved for a business loan from HFSL, there was a whole celebration in our family! **THE LOAN HELPED US BUILD INVENTORY AND RELEASE A NEW SEASON OF DESIGNS – BOTH ESSENTIALS FOR OUR BUSINESS TO SUCCEED.**

We really feel so grateful that we received this loan from the Hebrew Free Loan Society. It's been a game-changer for us, for the business, and for our families, and we're so excited about the future.”

## MEET ACCRA

“I am a fine arts photographer. After years of being an adjunct photography instructor, I couldn't find a job. I didn't have a lot of savings, and while I was looking for work, I began to fall behind on rent and utilities.

I was about to go under. I didn't know what to do. There was a very real chance I could have lost my apartment. I applied for and received an emergency loan from the Hebrew Free Loan Society.

**WHEN I RECEIVED THE LOAN, I COULD BREATHE – AND THAT WAS EVERYTHING.** Today, I can focus on work, making art, and being a parent. I am hopeful now, and that's thanks to the Hebrew Free Loan Society.”





# GETTING INVOLVED

1

## FUNDRAISE

Donations from the community are critical to our work. They help us lend money without charging any interest or fees to the people who borrow. **These are some ways that your fundraising contributions are used at HFLS:**

- Every \$1,000 donation helps us lend \$7,000!
- Help us reach people who are in need and not aware of HFLS
- Build new loan programs to meet the needs of the community, like small loans that people can take before major Jewish holidays when their expenses are higher.

2

## VOLUNTEER

In partnership with the UJA-Federation of New York, **you can participate in a customized volunteer opportunity to learn more about helping New Yorkers in need.**

3

## SITE VISITS

**Want to see our loans in action? We'd love to take you on a visit to one of the many businesses made possible by an interest-free loan.** Borrowers have opened a kosher BBQ joint, exercise studios, gift stores, salons and more. Email us at [celebrations@hfls.org](mailto:celebrations@hfls.org) if you'd like to meet one of our business loan borrowers.

Who  
**DO I  
ASK?**

**IT CAN BE HARD TO THINK ABOUT WHO TO ASK TO SUPPORT YOUR PROJECT. HERE ARE A FEW IDEAS:** Plan on sharing your project on social media several times leading up to your Bar or Bat Mitzvah. And ask your parents, friends, and relatives to share it too. It is also a good strategy to write emails to friends and relatives explaining your project - see the next page for some ideas on what to say.



# How DO I ASK?

It can be hard to think about how to ask your friends and family. **YOU CAN START BY MAKING A PLAN FOR HOW YOU'LL COMMUNICATE.** We will help you set up your personal fundraising page with some information about you, your Bar/Bat Mitzvah, and HFLS.

here is some text you can use...

## FOR YOUR FUNDRAISING PAGE:

Thank you for visiting my Bar/Bat Mitzvah project page! For my Bar/Bat Mitzvah, I am raising money for the Hebrew Free Loan Society. I like this organization because they help people invest in their futures. I also like that interest-free loans are recyclable. Once the money is paid back by a borrower, it can be used again and again to help others. I hope you will consider helping me reach (or exceed!!) my fundraising goal of \$3,600 to support this special organization.

About The Hebrew Free Loan Society:

The Hebrew Free Loan Society was founded in 1892 by a group of ten neighbors living on the Lower East Side, which was then home to hundreds of thousands of Jewish immigrants, most of whom lived in poverty. These friends pooled \$95 to create an interest-free loan fund and made loans of just a few dollars to help people pay their rent, pay a doctor's bill, or support their families by starting pushcart businesses. In the first year, they turned their initial \$95 into over \$1,000 in loans by recycling the money as it was repaid. Last year, HFLS made nearly \$11 million in interest-free loans to about 1,000 borrowers. Today's loans help those in need with different expenses, such as paying tuition for college and graduate school, paying hospital or doctor's bills, and paying for emergencies – like home and car repairs.

You can learn more about HFLS at [hfls.org](http://hfls.org) or [facebook.com/hflsnewyork](https://facebook.com/hflsnewyork).

Thank you again for visiting my website!

## SOCIAL MEDIA UPDATES:

1. For my Bar/Bat Mitzvah, I am raising money for The Hebrew Free Loan Society. This organization helps people in need by making loans without interest. These loans are life-changing. Will you join me in helping, New Yorkers in need? [Click here to learn more and support my campaign!](#)
2. Can I count on you to help me make a difference? Please support my Bar/Bat Mitzvah campaign to benefit the Hebrew Free Loan Society. This organization helps people in need by making loans without interest. These loans are life-changing. [Click here to join me in making a difference.](#)

## EMAIL:

Dear \_\_\_\_\_,

I'm writing to you about something really meaningful for me – and because I need your help!

As you may know, I'm celebrating my Bat/Bar Mitzvah on [DATE]. To honor this milestone, I am volunteering to raise money for the Hebrew Free Loan Society (HFLS). HFLS helps people in need in New York City by giving them interest-free loans to go to college, start or grow businesses, or pay for emergency and medical expenses. These loans are life-changing.

In honor of my bar/bat mitzvah, I set a goal of raising \$3,600, which will go toward helping HFLS change the lives of New Yorkers who are struggling.

I hope you'll join me in celebrating my bar/bat mitzvah and supporting this organization.

Thank you so much for your support.

# SETTING *and reaching* YOUR GOAL

## AIM HIGH! THINK ABOUT STARTING WITH A GOAL OF \$3,600.

This may be the first time you have to ask people to donate to a cause you care about. Here is an example of how easy it can be. Follow these steps and you will be on your way. These charts show you how many people you have to ask to reach a goal. As you can see, about half of all asks result in a gift. This chart is looking at a goal of \$3,600, but the lesson is the same regardless of the goal amount.

# ASKED	# DONATED	GIFT AMOUNT	TOTAL
3	1	\$500	\$500
12	6	\$250	\$1500
16	8	\$100	\$800
20	10	\$50	\$500
24	12	\$25	\$300
TOTAL - 75	TOTAL - 37		\$3,600

# ASKED	# DONATED	GIFT AMOUNT	TOTAL
20	10	\$100	\$1000
20	10	\$50	\$500
40	20	\$36	\$720
40	20	\$25	\$500
50	30	\$18	\$540
60	34	\$10	\$340
TOTAL - 230	TOTAL - 124		\$3,600

*note to self...*

**WHEN DONATIONS START ROLLING IN** (and they will),  
make sure to send a personalized thank you note or email to your supporters!

# CONGRATULATIONS *and* THANK YOU!

Thanks to your help, we'll make over 1,000 loans this year.  
The money you raise will enable us to continue to change the lives  
of thousands of New Yorkers in need.

Hebrew Free Loan Society  
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New York, NY 10017  
[HFLS.ORG](http://HFLS.ORG)

