



3 Lessons for a 3rd Generation

The Wealth Preservation Challenge



Eran Peleg, Chief Investment Officer

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CLARITY CAPITAL



Global

A global investment firm with offices in New York and Tel Aviv that manages assets for institutional and individual investors worldwide.



Diversified

Clarity offers a range of services and products which include private wealth management, hedge funds and private debt opportunities.



Regulated

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- Partner, Giza Venture Capital
- Young Global Leader, World Economic Forum
- MBA, Harvard Business School



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- Head of International Investments, Gmulot
- Senior Investment Manager, Gartmore
- MBA, Oxford University



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- Head of Risk Management, E4X
- Senior Trader, Bank Hapoalim
- BA, Bar Ilan University



Jonathan Silber | Global Head of Business Development

- Director of Trading, QFS Asset Management
- Portfolio Manager, Bankers Trust
- MBA, New York University



David Steinhardt | Co-Founder, Co-President

- Managing Partner & Portfolio Manager, Wooster Capital Management
- Managing Director & Head of Research, Centurion
- BA, University of Pennsylvania



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- Controller, Elad Group
- Manager of Audits & Private Equity Funds, Ernst & Young
- BA Finance, College of Management



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- Managing Director & Head of Latin America Client Solutions, Bank of America Merrill Lynch
- Managing Director & Head of Global Emerging Structured Products, Deutsche Bank
- MBA, Harvard Business School



Adi Birk | General Counsel, Chief Compliance Officer

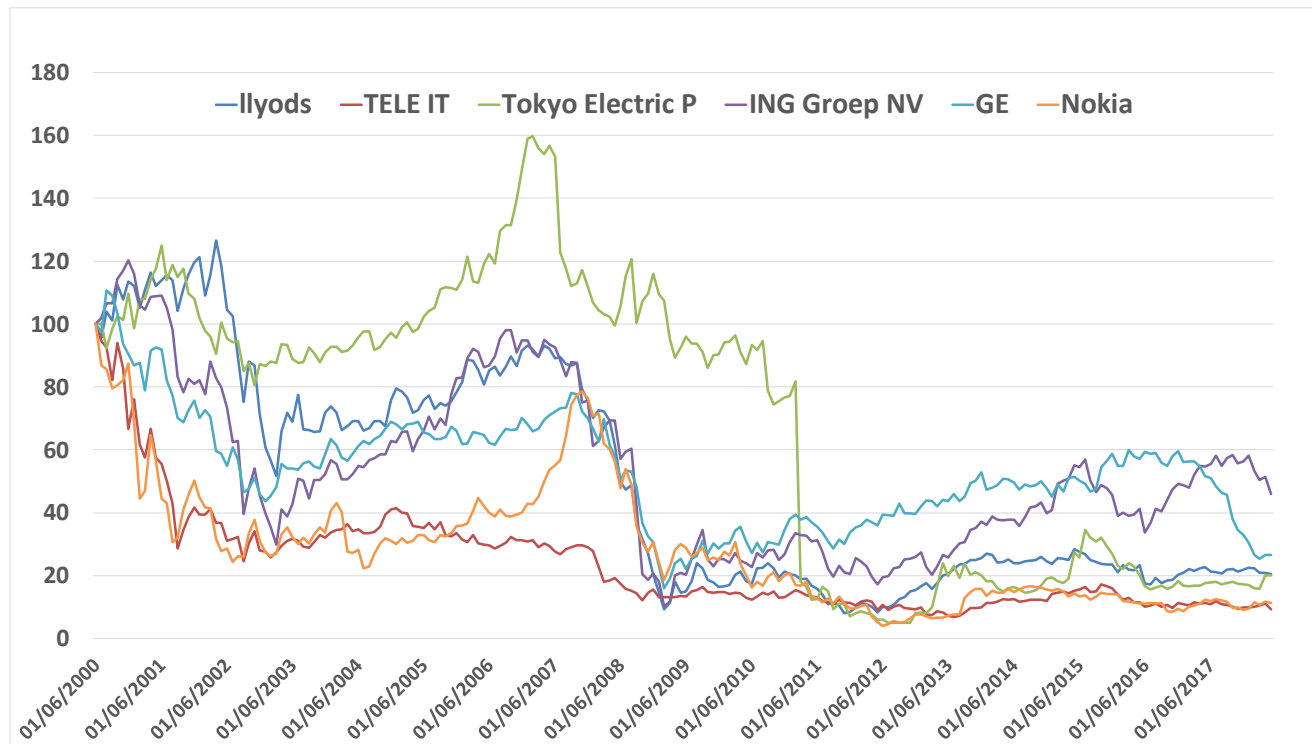
- General Counsel, Polar Investments Ltd.
- Senior Associate, Herzog; Fox & Neeman
- LLB, BA Economics, MBA, Tel Aviv University

**“70% of Wealthy Families Lose Their Wealth by The Second
Generation, 90% by The Third ...”**

- Study by Williams Group Wealth Consultancy

Lesson 1: Wealth Concentration Can Be Hazardous

Even The Most Established Companies Ultimately Experience Unexpected, Significant Declines in Value

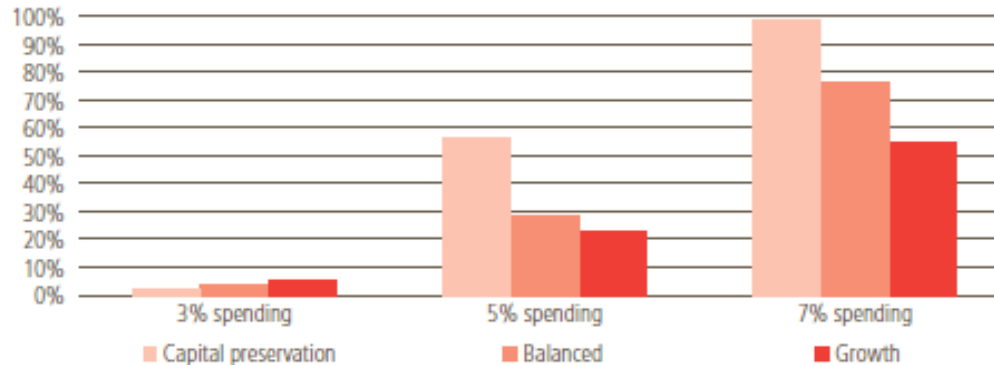


Source: Bloomberg

3rd Generation Should Seek to Diversify Their Wealth

Lesson 2: High Spending Can Destroy (Real) Wealth

Estimated Probability of Losing at Least 20% of Real Wealth Over 20 Years – Varying Portfolio Risk Profiles



Note: Asset allocation assumptions: Capital preservation = 25% global equity/60% cash and global fixed income/15% alternative investments; Balanced = 40% global equity/38% cash and global fixed income/22% alternative investments; Growth = 55% global equity/15% cash and global fixed income/30% alternative investments.

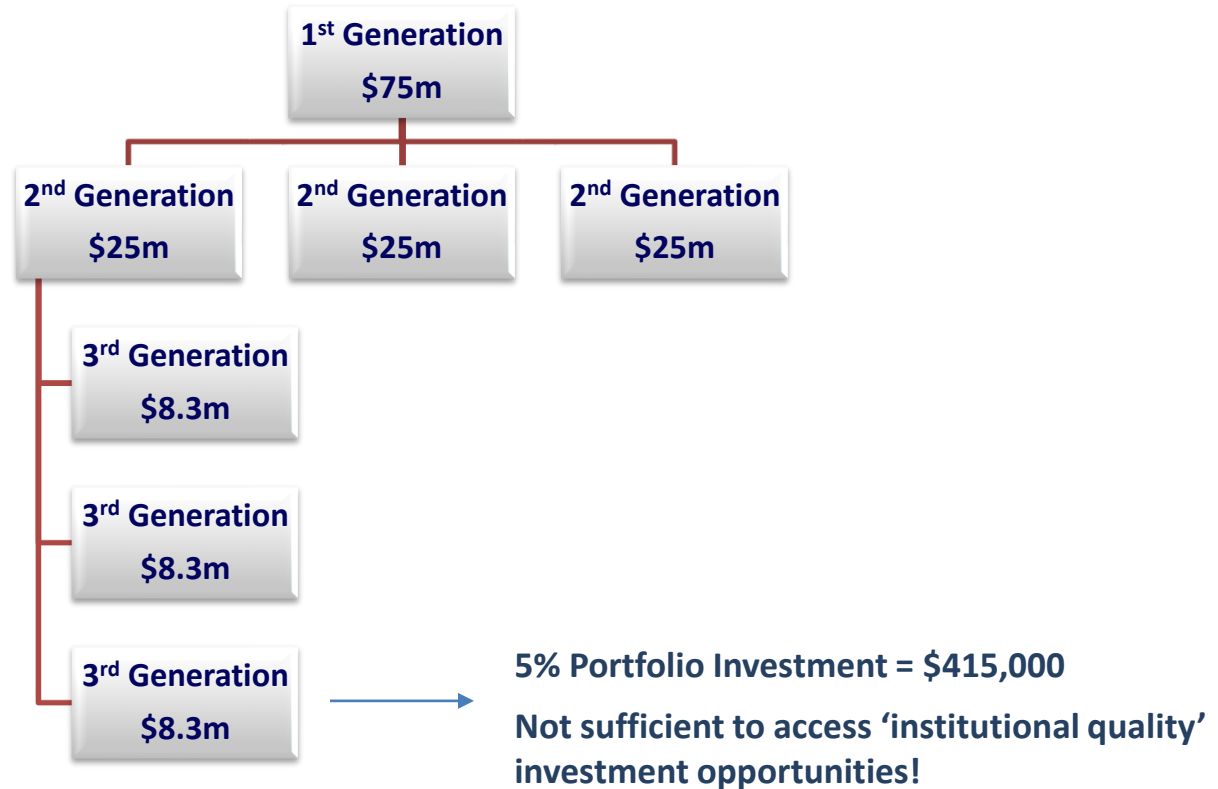
Past performance is no guarantee of future results.

Source: JPMorgan.

3rd Generation Should Maintain Spending at Levels Consistent With Wealth Preservation

Lesson 3: Wealth Fragmentation Limits Access To Quality Investments

Example:



3rd Generation Should Work With a Wealth Manager That Can Pool Assets Into Quality Investments

3 Lessons for a 3rd Generation

The Wealth Preservation Challenge

1

Wealth Concentration Can be Hazardous
Seek Wealth Diversification

2

High Spending Can Destroy (Real) Wealth
Maintain Spending at Levels Consistent With Wealth Preservation

3

Wealth Fragmentation Limits Access to Quality Investments
Work With a Wealth Manager That Can Pool Assets Into Quality Investments

THANK YOU!

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