TRANSITION OF INTEL ALIGNED STAFF TO MOBILEYE

This document provides condensed information about revisions to the benefits package for Intel aligned staff ahead of wage offers from, and the transition to, Mobileye as rank-and-file staff. This document pertains to Intel employees who are working for Mobileye and currently are defined as Intel aligned and are expected to receive job offers from Mobileye.

This document also relates to the termination-of-employment process at Intel, for which Intel Israel is responsible.

The guiding principles of the transition of Intel aligned employees to Mobileye and in designing the terms of the transition are the following:

\* Mobileye is applying the principle of fairness and will maintain wage levels and benefit packages that are at least equal in value for the Intel aligned employees who are joining us.

\* As the transition occurs, the principles and the structure of Mobileye’s wages and benefits are being maintained, so as not to create two population groups and in order to preserve the principle of fairness toward all staff members. At this opportunity, Mobileye is reviewing the existing benefits package and is adopting some of the benefits offered at Intel, so that at the end of the transition process, its benefits package will be attractive to all.

\* Amid the process of revising and improving the wages and benefits package, Mobileye has chosen not to adopt some of the benefits in Intel’s package because they are structurally and culturally unsuitable. Compensation for the cancellation of specific benefits described in this document will be given gradually, and there will be a transitional period in which we will honor the benefit under similar terms so that staff members will not fall between the cracks and be harmed by the timing of the transition. Further on, we will incorporate these benefits into Mobileye’s benefits package.

We will provide further information about shares, bonuses, wages, ESPP, and the reward process shortly before offers are extended to staff members, which will begin in late January.

* Everything expressed in male gender relates to female gender as well.

Part A. Benefits package and social entitlements for Intel aligned staff members in the transition to Mobileye

The transition of Intel aligned staff members to Mobileye will include the termination of their employment with Intel, a settlement of accounts under Intel’s responsibility, receiving a job offer from Mobileye, and the onset of employment with Mobileye. Details about the termination-of-employment process are given in Section B.

Generally speaking, and as specified in the continuation of this Procedure, Mobileye will respect each employee’s accrued seniority and entitlements in the following respects: seniority for vacation pay, seniority for annual entitlement to vacation days, and sick days accumulated at Intel (up to a ceiling of 90 days).

Takeup and exercise of benefits

Every benefit noted in Section A shall apply automatically to every Intel aligned employee who is entitled thereto. Mobileye, in conjunction with Intel, is acting to create centralized settlement of all matters for the relevant target population groups. Ahead of the transition, exact details in regard to each of the benefits and the actions (if any) that each employee must take will be given. At the present stage, employees do not need to take any action in order to settle any of the matters specified in the sections that follows.

Furthermore, individual entitlement to each of the benefits will be determined in relation to the final settlement that Intel shall draw up (e.g., accumulation of sick days, etc.).

Pension insurance

Mobileye, with assistance from Intel, has worked out an agreement by which every Intel employee will be able to continue receiving service from the same pension manager who dealt with him or her at Intel, under the same pension arrangements and under exactly the same terms (fees, service, etc.). Intel employees who were signed on Section 14 will sign Section 14 with Mobileye as accepted at both companies; employees who are not signed on Section 14 will not sign on Section 14 with Mobileye.

Vehicle benefit for eligible employees[[1]](#footnote-1)\*

During the first year of the transition, Mobileye will continue to honor the existing situation for Intel employees:

\* Employees who have an Intel company vehicle—Intel employees’ vehicle agreements will carryover to Mobileye. Employees who have an Intel vehicle will continue to use said vehicle under the same terms that they had with Intel during the transition (including use value under law).

\* Employees who do not have a company vehicle and receive NIS 3,650 will continue to receive this benefit as a separate line on the payslip (benefit not conferring social entitlements).

\* At the end of one year from the date of the transition to Mobileye, the vehicle agreements in their current form shall expire and Intel employees will be allowed to choose to join Mobileye’s new leasing program. (Details about the new and improved program will be specified further on.) Concurrently, the financial benefit will be integrated into the wage components that are accepted at Mobileye, such that the original benefit will not be impaired.

\* Grade 6 employees for whom a promotion process will be set up within the framework of the current Rewards process will be eligible for the financial benefit only.

Reimbursement of travel expenses for those not entitled to a vehicle benefit

Employees who are not entitled to a vehicle shall receive reimbursement of travel expenses from home to work:

\* Employees within a radius smaller than 60 kilometers (from place of residence to work campus) will receive participation in the reimbursement of travel expenses to work and back in the sum of NIS 495 per month.

\* Employees outside a radius of 60 kilometers (from place of residence to work campus) will receive fixed reimbursement of travel expenses in the sum of NIS 1,000 relating to a full-time employee.

\* It is stated for clarity that these sums do not confer social entitlements.

\* It is stated for clarity that when traveling for work purposes (e.g., to a distant campus), employees may apply for reimbursement of travel expenses including use of toll roads.

Vacation pay

The determining seniority for the level of eligibility is derived from the start date at Intel. However, in accordance with conventional practice at Mobileye, vacation pay will be paid as a fixed monthly amount of NIS 255 with monthly wage, irrespective of seniority as enshrined in law. For employees whose annual eligibility exceeds NIS 3,060, vacation pay will be remitted in accordance with the law (as has been remitted by Intel). It is stated for clarity that this increase does not confer social entitlements.

Education fund

The employer’s contribution to the training fund is set at 7.5% of 80% of the employee’s wage (plus 2.5% at the employee’s expense), irrespective of the maximum recognized for tax purposes (NIS 15,712) and irrespective of the type of employee (student / full-time). It should be noted that sums paid out beyond the ceiling are liable to tax in accordance with the law. For the large majority of Intel employees, this is a significant benefit because the current contribution to the training fund is made up to the tax ceiling.

Health insurance

With assistance from Intel, Mobileye has adopted the health policy (healthcare and dental care) of Intel employees with Migdal, Ltd., which covers the employee, his or her spouse, and all of their children up to age 24. Every Intel employee will maintain the full terms of his or her current medical policy in terms of content, cost, and outside service providers.

Mobileye employees will also be allowed to join Intel’s insurance policy. (Additional details will be published further on.)

Vacation days policy

Employees’ annual eligibility for vacation days will be at least as many at Mobileye as was established for them at Intel. As a rule, vacation days available to an employee at Mobileye are not cancelled and are passed on from one year to the next or until the final settlement, at the time employment is terminated. As is the practice of Mobileye, for each year of seniority (for employees of Intel Israel—counted from April 1, 2022), one additional day of eligibility will be added, up to a maximum of 24 days per year.

Eligibility for sabbatical

This is a benefit that Mobileye has chosen not to continue to offer all company employees. We will compensate employees for relative accrual available to Intel aligned employees and not yet utilized. These vacation days will be accumulated in a separate “sabbatical bank” and will be exercised on a “first-in, first-out” basis. That is, the use of vacation days will first be subtracted from the sabbatical bank and only after the bank is used up will the employee begin to use regular vacation days.

We note again that Mobileye is not erasing the balance of unused vacation days from one year to the next; therefore, we are convinced that the proposed method of compensation is a bridge consistent with the culture at Mobileye. The sabbatical bank allows the possibility of taking a group or partial vacation in coordination with the direct supervisor for employees who are eligible for this option today. In addition, the bank bridges over the near future, in which the balance of vacation days at Mobileye will be small due to the transition and the redemption of vacation days from Intel at the final settlement.

In the event of termination of employment for any reason whatsoever, the balance in the sabbatical bank will be wiped out. It should be noted that taking a vacation for any reason whatsoever requires go-ahead from the supervisor.

The formula for the creation of the sabbatical bank follows:

|  |  |
| --- | --- |
| **Current eligibility in the Intel system** | **Conversion into sabbatical bank at Mobileye** |
| Open eligibility window | Eligible for 23 vacation days |
| Eligibility window opens 05.22–04.23 | Eligible for 20 vacation days |
| Eligibility window opens 05.23–04.24 | Eligible for 16 vacation days |
| Eligibility window opens 05.24–04.25 | Eligible for 13 vacation days |
| Eligibility window opens 05.25–04.26 | Eligible for 10 vacation days |
| Eligibility window opens 05.26–04.27 | Eligible for 6.5 vacation days |
| Eligibility window opens 05.27–04.28 | Eligible for three vacation days |

Sick-pay policy

At Mobileye, employees are allowed to accrue up to 90 sick days. Accordingly:

\* An Intel employee who has accrued up to 90 sick days: accrual shall be documented in Mobileye’s system and shall be available to the employee automatically.

\* Mobileye will keep the number of sick days that an Intel employee has accrued beyond 90 sick days in a record separate from the payslip and the ongoing accrual. If the employee needs to use the additional days due to a medical event that does not result in the loss of working capacity, he or she may use the additional sick days that he or she accrued in the past.

Parental leave

From 2022 onward, Mobileye will introduce parental leave similar to the benefit offered at Intel. This program will be relevant for all company employees. The full and detailed procedure will be published in the near future. However, Intel aligned employees who joined Mobileye in April 2022 and have not yet exercised parental leave to which they are entitled may exercise it up to the end of a year from the date of the child joining the family.

Birthday, Rosh Hashana, and Passover gifts, and Quality-of-Life budget

\* Mobileye chooses gifts/coupons worth NIS 1,000 for each holiday (Rosh Hashana and Passover). The Passover gift shall replace the quality-of-life budget that Intel employees receive on April 1.

\* The birthday gift at Mobileye is a “BuyMe” coupon in the sum of NIS 225. Mobileye has chosen not to adopt Intel’s practice of giving employees a day off on their birthday because, given that Mobileye does not erase vacation days from one year to the next, we believe there is no need to increase vacation days in the context of this benefit.

\* Maternity gift at Mobileye—an NIS 500 coupon for a gift of your choice at a special site.

\* Wedding gift at Mobileye—an NIS 500 coupon and a day off on the wedding day.

\* Mobileye imputes the value of tax on account of the aforementioned gifts for all employees.

We will share information about the company’s transportation system, the 10Bis policy, the catering array, and cellular devices in March and ahead of the employees’ transition.

Part B. Information about the termination-of-employment process

Intel aligned employees in Israel who accept a job offer with Mobileye will officially become Mobileye employees in April 2022. As part of the transition, Intel will carry out the process of terminating employment and reaching a final settlement. For your convenience, below are FAQs that explain the process.

1. What documents will I receive as part of my termination-of-employment process?

The termination-of-employment packet includes the following documents: a certification-of-employment letter that specifies the dates on which you worked for Intel, a termination-of-employment letter that specifies the circumstances of the termination, and a termination-of-employment letter that specifies the terms of your departure. The packet will be sent about two weeks before the date of the termination of employment.

1. Will my unused vacation days be wiped out?

Vacation days that you did not use before you left and to which you will be eligible on the day of your departure under the company’s procedures will not be wiped out but will be cashed in. The payment for these days will appear on the payslip that follows the date of the termination of your employment.

1. Will I be allowed to redeem unused vacation days?

You will not be allowed to exchange vacation days for cash.

1. If I have questions about the pension plan, to whom should I turn?

Employees who receive a job offer from Mobileye and conclude their employment with Intel through the termination of employment will meet with the pension consultant and make decisions about the funds accrued in their favor in the pension-insurance program with the severance pay fund. Note: employees who switch to Mobileye will be considered employees who terminate their employment with Intel, meaning that they will be entitled to severance pay as would those who terminate their employment commensurate with their eligibility. To understand one’s personal eligibility, the choice one may make along the continuum of accepting severance pay or withdrawing the funds, and the tax implications of these choices, a meeting will be held with the pension consultant.

Severance-pay funds will accord with the employee’s severance pay program, meaning:

Employees who were hired under an expansion order and are signed to Section 14 will be allowed to make a decision about the severance-pay money that has accrued in their fund.

For employees who are eligible for supplemental severance pay (whether they moved under an expansion order or otherwise), Intel will contribute a supplement to the employee’s severance-pay fund.

In addition, for employees who are eligible for a studt fund, the employer’s accrued contributions to the study fund will be released to the employee in accordance with the fund’s regulations and in accordance with the [study fund](https://circuit.intel.com/content/hr/benefits/retirement/study-funds-heb.html) procedure.

If you are interested in contacting your insurance agency, you may find the name of the agency on your payslip (on the left-hand side, under additional data: “agent/operator.” (For details on how to get in touch with the insurance agent, press [here](https://circuit.intel.com/content/hr/benefits/retirement/pension-agencies-contact-information-heb.html).)

The process of contacting the agency comprises two stages:

* **Stage I**: To get initial advice, you must get in touch with the customer-service representatives and leave your details with them. You may contact them at the following phone numbers:
* Temura: 077-2226099 / \*6099
* Shekel: 03-9282111
* Mivtach Simon: 03-7966060

The agency must get back to you within 24 hours.

**Stage 2:** During the month of your departure, **the insurance agents will get in touch with you** and invite you to a meeting that will take place during the month of your departure or in the succeeding month, after they receive all relevant data from Intel and receive data on the accrual in the various funds from the insurance company.

1. I am entitled to a sabbatical. Am I able to take it?

If you are entitled to a sabbatical, you may take it per approval of your supervisor up to the date of the termination of your employment. (You must report “extended vacation” for this period.) If you do not have time to exercise this entitlement, reference to this will be made on Mobileye’s information sheet.

1. Can I be rehired by Intel in the future?

Like any employee who leaves Intel, you are entitled in the future to resume working for Intel in accordance with the company’s rehiring policy. Employees who leave within the framework of this process may resume working for the company provided they comply with the company’s rehiring policy.

How will this affect my package of benefits and entitlements, visa, health insurance, options, and shares?

1. How long can I exercise the quality-of-life budget by means of an ICC Visa card?

You may use the 2021 quality-of-life budget up to your last day of employment with Intel. The quality-of-life budget that is unused up to that day will be wiped out and the balance will not be credited to your wage.

1. How can I use the money that’s loaded onto a recognition reloadable card?

For employees who have a MasterCard recognition reloadable card, the card and the funds loaded into it will remain at their disposal and may be used until the card expires (three years from the date of issue) or until the balance of funds in the card is used up.

Employees who did not receive a card may enter a [recognition tool](https://recognition.intel.com/) and fill in their address, after which a card will be sent to their home. This may be done up to 21 days from the termination of your employment with Intel.

In the event of any problem, please send an email (English only) to [CustomerService@recognition.intel.com](mailto:CustomerService@recognition.intel.com) , noting your full name, WWID, personal email address, postal address, and country name.

1. What will happen to my ESPP plan when my employment is terminated?

If the date of your termination of employment occurs before the date of your purchase of shares (on February/August 19) as part of the ESPP program, your participation in the program will be cancelled and in your last salary you will be refunded for the full NIS sum that was contributed to the plan. Also, you will be able to cancel your participation in the plan at any time before your termination of employment in the equity account on E\*TRADE. Insofar as you hold shares that you acquired in the past through the ESPP program, the tax on account of the benefit given to you by Intel will be paid at point of acquisition. These shares are a personal asset at this time and the law requires to you to report them to the tax authorities and pay the taxes on them directly.

1. What about my eligibility for the quarterly bonus (QPB)?

Employees who were active employees on the last day of the quarter are eligible for the QPB. For example, if your termination-of-employment date is after December 31, 2021, you are entitled to the bonus for the first quarter.

1. I received a study grant/recruitment bonus less than two years ago. Must I repay it?

No. As a special dispensation, you will not need to repay the study grant, the recruitment bonus, and the like. Furthermore, in accordance with Intel’s procedures, if you amassed debt balances of any kind in the course of your work with Intel, they will be offset at the time of the termination of your employment.

1. To whom can I turn with additional questions about my termination-of-employment process with Intel?

You may address additional questions to your direct supervisor or to a HR rep. (You may verify the identity of the rep through your direct supervisor.)

1. \* Eligible employees—employees at Grades 7 and up who are eligible for reimbursement of vehicle expenses in the sum of NIS 3,650 gross. [↑](#footnote-ref-1)