GUY GISSIN, ADV.

YOEL FREILICH, ADV

TZVI VALLACH, ADV.

YAEL HERSHKOVITZ, ADV.

SHLOMI ARBEL, ADV.

TSAHI DROR, ADV.

AMIR PAZ, ADV.

REVITAL DAGIM, ADV.

OMER ARAMA, ADV.

GAL LOUGASSI-SPIRA, ADV.

OREN SHARABANI, ADV.

IDAN DANINO, ADV.

RAFAEL KATZ, ADV.

NOAM BAR-OR, ADV.

SIGAL RUSSAK-GISSIN, ADV.

 Date: 25 December 2019

|  |  |
| --- | --- |
| ToIntel CorporationFor Mr. Yaniv Gerti – Vice President and CEO Intel Israelc/o Intel Branch in Israel – Tel Aviv7 Habarzel Street, Ramat HehayalTel Aviv 67710 | ToMobilEye B.V.c/o Prof. Amnon Sha’ashua – CEO13 Hartom Street, Har HahotzvimPOB: 45157Jerusalem 9777513 |

**By registered mail**

**and fax: 02-5792850**

Dear Sir:

**Subject: Nonpayment of Consideration for the Purchase of Mobileye N.V. Shares, Warning Prior to Filing of Class Action Suit**

Our client, Mr. Eliyahu Dabah, has instructed us to apply to you in the matter under consideration as follows:

1. In short, the matter of our client (as well as that of the group of other additional minority shareholders) is the nonpayment of the consideration for shares of MOBILEYE N.V. (hereinafter: “**MobilEye**”) which were purchased in a purchase offer.
2. The matter of our client is common to a wide group of shareholders among the minority in MobilEye (about 5.9 million shares) – who did not reply to the purchase offer published by the Intel Corporation (hereinafter: “**Intel**”), and as a result of this (and of the success of the purchase offer) their shares were purchased in a forced buy-out by Intel (by way of a wholly-owned subsidiary of Intel, to be defined below).
3. Despite the forced buy-out, the consideration for these shares has not been received as of this date by the shareholder group under consideration, among which our client numbers.
4. In a most paradoxical manner and contrary to law, Intel forcibly took the shares of the members of group in MobilEye, but they have not received the consideration. This is a breach of every possible norm to the point where the situation could be called no less than plunder.
5. To this very day our client, like the other members of the group, does not know the date of transfer of the consideration for the minority shares the owners of which have not replied to Intel’s purchase offer. And please note, these shares were taken from the members of the group forcibly and transferred to Intel in the framework of the forced buy-out as long ago as 2017. In other words, even today, more than two years later, and where this is an astronomical amount (according to what is known, this reaches a scope of 380 million US dollars) – neither Intel nor MobilEye, nor any other body on their behalf, has bothered to take responsibility and seen that the consideration is paid to its legal owners.
6. This preliminary application is being made following earlier correspondence between our client and the CEO of MobilEye (Mr. Sha’ashua) and the chief legal consultant of MobilEye (Adv. Cohen-Yerushalmi), who have not taken the trouble to provide any constructive solution.
7. In order to complete the picture, it should be clarified (as will be detailed below) that this application is being made following the exhaustion of the applications made by our client to Bank Mizrahi Tefahot Ltd. and to the Public Inquiries Unit of the Supervisor of Banks and prior to taking legal actions.

**General Background**

1. Our client is a pensioner who purchased 500 MobilEye shares (hereinafter: “**Shares**”) with his savings money. The Shares were purchased and held by Bank Mizrahi Tefahot (Kanfei Nesharim Branch, Jerusalem) (hereinafter: “**Bank**” or “**Bank Mizrahi**”) and/or a custodian on its behalf.
* A copy of a printout from the Bank showing our client’s ownership of the Shares is attached herein and marked as **Addendum 1** to this my letter.
1. As you know, on 12 March 2017, Intel announced the signing of an agreement for the purchase of MobilEye – by way of the subsidiary Cyclops Holdings, LLC (above and hereinafter: “**Subsidiary**”).
2. On 5 April 2017, and pursuant to the provisions of the purchase agreement, Intel announced a full purchase offer, according to which it would purchase all the shares of MobilEye from the shareholders for a consideration of 63.54 US dollars per share (hereinafter: “**Purchase Offer**”). In the framework of the Purchase Offer, Intel undertook to purchase all the MobilEye shares from its shareholders for the cash consideration stated in the Purchase Offer.
3. On 8 August 2017, Intel announced the completion of the purchase of about 96.3% of the MobilEye shares in accordance with a report received from the American Stock Transfer & Trust Company LLC (hereinafter: “**AST**”)[[1]](#footnote-2), and on 22 August 2017, Intel and MobilEye jointly announced that the Subsidiary had completed the purchase of 216,757,856 shares, constituting about 97.3% of the MobilEye shares[[2]](#footnote-3) and that the balance of the shares would be purchased in the framework of a forced buy-out from the minority shareholders who had not responded to the full Purchase Offer on time.
4. On 1 September 2017, MobilEye was stricken off the list of trade and converted from a public company whose shares are traded on the NYSE to a private company.
5. On 28 September 2017, Intel announced that it had begun the completion process of the full purchase of MobilEye shares by means of a forced buy-back of the minority shares in the framework of a procedure which the Subsidiary and/or someone on its behalf promoted, filed with the Enterprise Chamber of the Amsterdam Court of Appeals (hereinafter respectively: “**Procedure**” and “**Enterprise Chamber**”).[[3]](#footnote-4)
6. Our client – who, as mentioned, was numbered among the minority shareholders of the public – did not receive any notice whatsoever, at least not directly from MobilEye and/or Intel and/or the Subsidiary, regarding the Purchase Offer and/or the forced buy-back of the shares and/or any other information on the Procedure. Moreover, the acceptance dates for receipt of the Purchase Offer were not known to our client. As a result of this, and lacking any knowledge, in any case our client could not have responded to the Purchase Offer.
7. However, our letter does not deal with the manner of the announcement of the Purchase Order, but rather with the fact that the Shares were taken from our client (and from all the other members of the group) without the purchaser (Intel) having made certain that the consideration reached them.
8. To complete the picture, it should be pointed out that only on 3 May 2018 – more than a full year later – did our client receive a notice from the Bank by mail regarding the full Purchase Offer and the execution of the forced buy-back of the Shares. However, this notice was received by our client after a long delay and after the last acceptance date of the forced buy-back offer. Thus to his great distress, he discovered that the Shares which he had purchased with most of his savings “had vanished” from his bank account.
9. What is stated above shows that you acted, whether with absolute deliberation or with your eyes closed, carelessly, indifferently, and unfortunately most negligently, to take the property of the members of the group illegally, without transferring the consideration to them.
10. The responsibility for the omissions detailed above as well as the restoration of the damage of the group rests on the shoulders of Intel and MobilEye jointly and individually together with all the officers in these companies who participated in the Purchase Offer and/or the failed Procedure for the (non)transfer of the consideration to the shareholders.
11. And it should be noted that the severity of your conduct is not lessened by a possible contention on your part that the consideration for the shares was transferred by you to any third party whatsoever and/or was deposited in any other account whatsoever – whether this was the deposit of the consideration money with AST or in the account of the custodian or in the account of a banking corporation or with any other body, including any unit whatsoever in the Dutch Treasury Department which is holding this money. **The responsibility was yours to see to it that the shareholders from whom you took the shares by force received the consideration.**

**The many applications of Mr. Dabah to various bodies did not help him receive the consideration**

1. Upon receipt of the announcement and the “disappearance” of the Shares from his account, our client applied to representatives of the branch of the Bank with the aim of tracing the fate of the Shares. In this manner, our client became aware of the full Purchase Offer and the Procedure for the forced buy-back. Despite the clarifications which the representatives of the Bank made to trace the “vanished” Shares, for many days following the date of the discovery, no one at the Bank knew what had happened to them, what was their updated value and when, if ever, the consideration for the Shares would be received.
2. Our client did not give up, and during the months of May and June 2018, he initiated further applications to the Bank to locate the Shares while attempting to receive the consideration for them. However, despite his many applications to the Bank, the Bank was unable to say where the Shares had been deposited or at least where the consideration for them had been deposited, nor (at the very least) was any relevant information delivered about the date of payment of the consideration for the Shares.
3. With regret, on 27 June 2018, our client applied to the Bank management (public inquiries) in order to receive better information and understand what had happened to the Shares and how he could receive the consideration for them. However, despite his repeated applications and requests to Bank Mizrahi, the response of the Bank was (and remains) that it has no information regarding the date of payment of the consideration for the Shares. In addition, our client was not provided with any information or other relevant documents required in the matter.
4. Finally, on 11 July 2018, the public inquiry representative of the Bank transmitted information to our client, according to which his Shares had been transferred in a forced buy-back to Intel (by way of the Subsidiary), which was the result of the Procedure and of the completion of the full Purchase Offer, in the form of a forced share purchase. Our client was further notified that the consideration money for the Shares had been deposited in a unit under the Dutch Treasury Department – with no further details. The representative of the Bank added that neither the Bank nor the custodian (by means of whom the Bank had transferred the Shares to Intel) knew when the consideration for the Shares would be received and that “the response (of the custodian) was that the money for the clients had not yet been received”.
5. As can be seen from everything described above, from the moment that our client discovered that the value of the Shares appearing in the bank account “had been reset”, our client has acted tirelessly with repeated applications to representatives of the Bank and representatives of the Bank of Israel/the Supervisor of Banks to receive the consideration money for the Shares; but he remains empty-handed.
6. On 24 January 2019, our client (by means of an email) contacted the legal consultant of MobilEye – Adv. Cohen-Yerushalmi – as well as the CEO of MobilEye – Mr. Sha’ashua – asking for assistance in receiving the consideration for the Shares.
7. In response to these applications, Adv. Cohen-Yerushalmi confirmed that the consideration for the Shares was in fact deposited with the unit under the Dutch Treasury Department pursuant to Dutch law and that our client must independently clarify the manner of receipt of the consideration for the Shares (with reference “to a bank or broker” who would give instructions on how to receive the money from the Dutch Treasury Department), while Mr. Sha’ashua replied in an email on 22 August 2018 that he had transmitted the application of our client for clarification by “the appropriate bodies”.
8. After failing to receive any reply, our client again contacted Mr. Sha’ashua, but (once again) he remained empty-handed, and the response of Mr. Sha’ashua to the desperate application of our client was: “sorry, that is not in our hands”.
* A copy of the applications of our client to Mr. Sha’ashua and to Adv. Cohen-Yerushalmi in the matter of the Shares and a copy of their replies are attached herein and marked as **Addendum 2** to this our letter.

**Nonpayment of the consideration for the shares to the minority shareholders by Intel**

1. From everything described above, a sad picture appears according to which all the applications of our client to the Bank or to the relevant officers in MobilEye (presently officers in Intel) with the aim of receiving the consideration for the Shares or at least lead to the crediting of his account with the consideration for the Shares (with the deposit of a sum which is the equivalent of the value of the consideration for the Shares according to their value in the Purchase Offer) failed. Worse, to this very day, the account of our client has not been credited with the consideration for the Shares.
2. Therefore, the consideration for the Shares of our client has been delayed for no reason, and up to the present day, the amount of their consideration has not been transferred to our client or to the remaining members of the group by Intel, the Subsidiary, MobilEye and/or anyone on their behalf.
3. Intel and/or MobilEye have breached their duty to the MobilEye shareholders in the group under consideration in that they took their Shares by force without fulfilling their obligation that the consideration would be paid to them. In this way, they took property unlawfully and have been indifferent to the distress of the members of the group, who are faced with a hopeless situation.

**The damage caused**

1. Each and every member of the group has suffered damage on a number of levels:
2. The amount of the consideration which has not reached the minority shareholders – the members of the group have not received the consideration owed to them following the forced buy-out of their shares, and the total amount of this, as far as our client knows, comes to the sum of about $380 million (US) dollars.

For the sake of good order, we should point out that to the extent that this is with regard to the personal claim of our client, the amount of the consideration for the Shares appearing in the bank account records shows the equivalent value of the Shares and their consideration at the sum of zero; in other words, the Shares are valueless (an entry which of course is incorrect), despite the fact that the equivalent amount pursuant to the forced buy-out offer comes to a total of **31,770 US dollars** (above and hereinbelow: “**Consideration Amount**”).

1. Interest and linkage differentials for the delay in payment of the Consideration Amount starting from the effective date pursuant to the execution outline of the Purchase Offer up to the actual date of payment.
2. Additional damage resulting principally from aggravation, the denial of autonomy of the members of the group over their property, hassle, inconvenience and waste of time resulting from the unending and unsuccessful need to attempt to clarify what happened to the consideration which they are entitled to receive and how and when they are to receive it. Our client is not interested at the present stage in estimating the damage for this component, but this is a not inconsiderable amount.
3. Unlawful enrichment for gaining wealth illegally at the expense of our client and at the expense of the group of minority shareholders by means of property taken without the payment of a consideration.

**The demand of our client and the group**

1. Before filing an application for the approval of a class action suit in the name of our client for the group (defined as: all those whose shares were forceably purchased in the framework of the Purchase Offer Procedure and who have not receive the consideration for their shares), our client has the honor of addressing them in an attempt to bring about a full settlement of the payments to the members of the group.
2. In order to attempt to find an efficient exit, it should be pointed out that our client will not accept explanations on cash deposits with third parties or the transfer of responsibility for procedures with an unknown date over which, in your possible contention, you have no control. If this is the response received, there will be an immediate application for approval of a class action suit.
3. The purpose of this letter is therefore to permit Intel and MobilEye and its officers who are directly responsible for the damages of the members of the group to take full, direct responsibility and arrange the payment to the members of the group before us on quick, firm dates known in advance together with full compensation for all the damage caused to the members of the group, plus compensation to our client as the representative of the group, plus attorney fees and legal expenses in accordance with case law.
4. If you are interested in settling the issue instead of the conducing of a class action in the matter, you are asked to contact **us within 4 business days from the date of this our letter. No further warning will be sent**.
5. It is hereby clarified that nothing stated in this letter above derogates from any contention of our client. For the avoidance of doubt, it is hereby clarified that this letter very briefly describes the contentions of our client and his aim of permitting you to address them and reply in an orderly manner. It is superfluous to point out that our client retains his right to make any contention in the framework of the class action or to amend any financial datum (the financial data with regard to the group have been detailed to the best of his knowledge) if it is filed and/or in any other legal process (including against Intel, the Subsidiary, MobilEye, the Bank and/or other officers in these corporations) and to supplement it with additional evidence, including expert opinions.

Respectfully,

(-) (-)

***Yoel Freilich, Adv. Rafael Katz, Adv.***

***Gissin & Co, Advocates***

**Copies:**

Mr. Eliyahu Dabah

Ms. Liz Cohen-Yerushalmi, Adv. – Chief Legal Consultant (MobilEye-Intel)

**ADDENDUM 1**

|  |  |  |
| --- | --- | --- |
| Page: 1 of 1Date: 08/08/2018Time: 10:19 | **042 – Revaluation of Securities Portfolio** | Image result for מזרחי טפחות" |

Page: 1 042 – Details of Securities Portfolio Done on: 08/08/2018 10:19

Branch: 139 Account: 414371 Name of Client: Dabah Eliyahu and friend Acct. type: Current 1

Manager Account

Current account balance in books to 07/08/18: (blacked out) Updated current account balance: (blacked out)

Total value of file to 07/08/2018: (blacked out) No. of securities in file: 25

Linked and foreign currency security Funds Debentures Shares

580,040 124.567 0 800,594

38.55% 8.27% 0.00% 53.18%

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| No. of securities | Name of security | Total par value | +cost-rate | revalued-rate | % change | Total bulletin | Date |
| (blacked out) | (blacked out) | 25000.00 | 433.00 | 380.00 | -12.2 | 95000 | 29/05 |
| (blacked out) | (blacked out) | 405.00 | 2190.00 | 2320.00 | +5.94 | 9396 | 26/07 |
| (blacked out) | (blacked out) | 700.00 | 4116.94 | 8505.00 | +106 | 59535 | 11/17 |
| (blacked out) | (blacked out) | 2441.00 | 5852.69 | 7178.00 | +22.6 | 175214 | 14/02 |
| (blacked out) | (blacked out) | 521.00 | 37206.21 | 44220.00 | +18.8 | 230386 | 11/16 |
| (blacked out) | (blacked out) | 1577.00 | 11197.03 | 7630.00 | -31.8 | 120325 | 04/02 |
| (blacked out) | (blacked out) | 121.00 | 70890.00 | 52680.00 | -25.6 | 63742 | 12/15 |
| (blacked out) | (blacked out) | 269.00 | 14852.41 | 17470.00 | +17.6 | 46994 | 08/16 |
| (blacked out) | (blacked out) | 81874.00 | 139.99 | 139.03 | - .69 | 113829 | 26/04 |
| (blacked out) | (blacked out) | 8573.58 | 119.90 | 125.25 | +4.46 | 10738 | 03/16 |
| (blacked out) | (blacked out) | 10.00 | 57.01 | 66.58 | +16.7 | 2460 | 08/15 |
| (blacked out) | INTEL CORP | 220.00 | 50.40 | 49.70 | - 1.39 | 40401 | 03/07 |
| (blacked out) | (blacked out) | 12.00 | 733.00 | 1255.84 | +71.3 | 55683 | 04/16 |
| (blacked out) | (blacked out) | 105.00 | 98.24 | 110.30 | +12.2 | 49612 | 23/03 |
| (blacked out) | (blacked out) | 60.00 | 72.25 | 89.98 | +24.5 | 19948 | 08/15 |
| (blacked out) | (blacked out) | 180.00 | 50.91 | 52.46 | +3.04 | 34891 | 05/16 |
| (blacked out) | (blacked out) | 150.00 | 25.06 | 3.46 | -86.1 | 1920 | 12/07 |
| (blacked out) | (blacked out) | 30000.00 | 101.24 | 93.35 | -7.79 | 103480 | 10/17 |
| (blacked out) | (blacked out) | 34.78 | 33.27 | 33.40 | + .39 | 4292 | 09/16 |
| (blacked out) | (blacked out) | 250.00 | 22.95 | 28.40 | +23.7 | 26234 | 10/14 |
| (blacked out) | (blacked out) | 1650.00 | 15.05 | 14.47 | -3.85 | 88219 | 10/17 |
| (blacked out) | (blacked out) | 150.00 | 42.70 | 61.77 | +44.6 | 34236 | 04/16 |
| (blacked out) | (blacked out) | 513.50 | 0.00 | 100.00 | 0 | 1897 | 10/17 |
| 473520/9 ^ | MOBILEYE NV | 500.00 | 50.67 | 63.20 | +24.7 | 116762 | 03/17 |

^Cost rate: correct to previous day/rate not calculated

+cost rate does not match calculation of capital profit. The effective balances are according to clearing date

 > End of details securities for client <

**539: Kanfei Nesharim** **18** **92045: Michael Leon**

 Station Details of banker

**ADDENDUM B**

1. According to the Intel declaration on the purchase of control in MobilEye in the framework of a report in the EDGAR system from 8 August 2017 – 13D Schedule, Note 5. [↑](#footnote-ref-2)
2. A report of MobilEye in the EDGAR system from 22 August 2017 – (Amendment No. 11) Schedule 14D-9. A report of the rate of purchase of MobilEye shares by Intel was received from AST and updated on 21 August 2017. [↑](#footnote-ref-3)
3. From a notice to the public/press from an immediate report (6K) of MobilEye in the EDGAR system from 28 September 2017. [↑](#footnote-ref-4)