



NVIDIA acquires Mellanox - Frequently Asked Questions

Updated April 22, 2021

Who is handling the payment of the merger consideration?

Computershare is the Paying Agent, and ESOP, in Israel, is the Sub-paying Agent. These paying agents will handle the payment of the merger consideration to shareholders.

What is the process for Mellanox shareholders to be paid?

The Paying Agent and Sub-paying Agent have reached out to brokers and registered shareholders explaining the mechanics to receive payment of the merger consideration. Please refer to this [process flow](#).

How and when will I receive my proceeds?

Your broker will need to send you a link via email to the tax declaration form. Once you fill out this form and submit it back to your broker, your request for payment will be put in motion. Your broker will complete the form, surrender your shares, and request approval from the Sub-paying Agent. After approval has been granted, you can expect payment from your broker in 1 to 3 weeks.

What documentation do I need to provide?

As Mellanox is an Israeli corporation, you will need to receive the tax declaration form link from your broker to get started. The online tax declaration form will request you upload a copy of your valid passport to the site. If you do not have a valid passport, you will need to complete a W-9 or W-8 form, prompted by the site. If your Mellanox shares are valued at more than \$250,000 (previously more than \$3,000,000) you will need to provide a residency certificate as required by the Israeli Tax Authorities.

A current U.S. Form 6166, or non-U.S. equivalent form will be accepted by the ITA. To request a certificate of residence for the U.S., you will need to submit [Form 8802](#) to the [IRS](#) requesting to receive a Form 6166. The IRS Form 6166 or respective country residency certificate should be uploaded through the tax declaration form link provided by your broker for processing. Submitting your non-Israeli residency information will eliminate the requirement for the paying agents to withhold Israeli taxes on your proceeds.

Has the Israeli Tax Authority ruling been received?

Yes, we have received the ITA ruling and an extension which reverts to requiring a residency certificate for values at or above \$250,000. The extension approval is now valid through October 31, 2021. These rulings will be applied by the Paying Agent and Sub-paying Agent during the approval process.

For shareholders with cash value at or below \$250,000, you may complete the submission by uploading your valid passport, or if you do not have a valid passport, complete the W-8 or W-9 online and submit for processing.

Do I need to upload a signed Form W-9?

No, if you do not have a valid passport, the tax declaration site will request the W-9 information and you do not need to upload any form.

What do I do if my cash value is above \$250,000?

If your cash value is above \$250,000, you may request a Form 6166 from the IRS or you can approach the ITA for a specific withholding tax exemption. Please note that approaching the ITA is usually done by an Israeli representative (CPA or a lawyer).

When is the deadline to submit my tax declaration form?

You will have until October 22, 2021 to submit your tax declaration form online to the Paying Agents. This deadline has been extended to allow valid processing of residency certificates by governmental agencies affected by the global pandemic.

What If a shareholder does not complete and deliver a "Declaration of Status for Israeli Income Tax Purposes" and provide requisite additional documentation to establish non-Israeli residency or provide a "Valid Certificate" issued by the Israel Tax Authority addressing Israeli withholding?

In the event a shareholder does not complete and deliver a "Declaration of Status for Israeli Income Tax Purposes" and provide requisite additional documentation to establish non-Israeli residency or provide a "Valid Certificate" issued by the Israel Tax Authority addressing Israeli withholding by the extension date October 22, 2021 or as otherwise required under the Merger Agreement, default Israeli withholding (generally 25%) will be applied to the cash consideration payable for the shareholder's Mellanox shares, and the remaining balance of the cash consideration will be made available to the shareholder. A shareholder may also work through its brokerage firm to have the default Israeli withholding tax applied to the cash consideration prior to the extension date of October 22, 2021.

In such event, the shareholder would not be able to seek a tax refund of any Israeli withholding as no confirmation will be issuable to the shareholder who does not complete and deliver a “Declaration of Status for Israeli Income Tax Purposes”, even if in the circumstances there is no substantive Israel tax liability.

What is the difference between a variable tax rate and the 25% tax rate?

The Israeli tax withholding rate for this transaction is a flat 25% tax. If you do not certify your tax residency or voluntarily elect the 25% tax rate when completing the online form, the Paying Agent will withhold and remit to the Israel Tax Authority in the name of the shareholder, the tax amount withheld.

If you choose a variable tax rate, your tax residency form submitted will determine the tax rate (between 0% and 25%) to be withheld by the Paying Agent. Most certifications of shareholders outside of Israel will have 0% variable tax withheld.

Who can I contact with questions?

For questions about the tax declaration form or link, please contact your broker as they are the only ones who can initiate the payment process for you. If they are not familiar with the process, please have them contact their back office for further instructions with respect to this corporate action.

Who can I contact at NVIDIA?

You may reach the company at MellanoxShareholderQuestions@nvidia.com.