



STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION

Tony Evers, Governor
Joel Brennan, Secretary

October 4, 2019

Richard Vincent
Chief Business Officer
Foxconn Industrial Internet
611 East Wisconsin Avenue
Milwaukee, WI 53202

Re: Confirmation of Meeting Points

Dear Richard:

Thank you for taking the time to meet on Wednesday with me and the other members of our Department of Administration (DOA) team. I am writing to memorialize the main points of our discussion pertaining to the November 10, 2017, incentive contract (the "Contract") between the Wisconsin Economic Development Corporation ("WEDC") and the Foxconn entities specified in that Contract ("Foxconn").

You attended the meeting with attorney Mike Wittenwyler, who has stated that he represents all the various Foxconn entities with respect to the Contract. Although you are directly affiliated with Foxconn Industrial Internet (Fii), like Mr. Wittenwyler, you attended the meeting as a representative of all the Foxconn entities involved with the Contract.

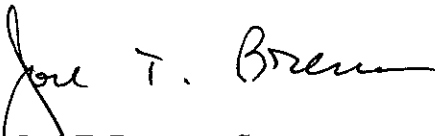
The main discussion points were as follows:

1. Foxconn is committed to constructing and operating the Gen 6 facility and supporting buildings, smart manufacturing center, data center, and power substation (collectively the "Present Project"). We understand that those four facilities are at different stages of development, from initial bidding to construction. It is our understanding that Foxconn expects to substantially complete construction and begin operation of the Present Project by the end of 2020.
2. Foxconn acknowledges that the Present Project is different in nature and scope than the Generation 10.5 facility defined in the contract that Foxconn applied for and was certified for by WEDC as part of the 2017 Contract formation process.
3. Foxconn will not apply for capital investment or employment tax credits under the Contract for any portion of the Present Project unless Foxconn builds a Generation 10.5 facility on the terms and conditions specified in the Contract.
4. Foxconn does not intend at this time to apply to WEDC to become newly certified to earn capital investment or employment tax credits related to the Present Project. Nor is Foxconn asking to amend the Contract to attempt to make the Present Project eligible for credits. While we emphasized the willingness of the State and WEDC to work with Foxconn on possible amendments to the Contract to fit the Present Project, Foxconn is not presently interested in pursuing the amendment path.

5. Foxconn is taking these positions for its own business reasons, and does not fault the considerable efforts and investments the state and local governmental units have undertaken to build infrastructure and other related improvements pursuant to the Contract and the Local Development Agreement between Foxconn, Racine County and the Village of Mt. Pleasant.
6. Foxconn has not ruled out building a Gen 10.5 facility within the Zone specified in the Contract, but it has no specific present plans to build such a facility.

Again, thank you for meeting with us. The State will continue to prioritize your company's success in Wisconsin and invites Foxconn to engage with us to discuss how we can incentivize your long-term investment and job creation plans as they become better defined.

Best regards,



Joel T. Brennan, Secretary

Cc Mike Wittenwyler,
Godfrey & Kahn S.C.

Melissa Hughes
Secretary/CEO
Wisconsin Economic Development Corporation