



North American Headquarters
611 East Wisconsin Avenue
Milwaukee, Wisconsin 53202

November 18, 2019

Joel Brennan, Secretary
Department of Administration
101 E. Wilson Street, 10th Floor
Madison, WI 53703

Dear Secretary Brennan,

Pursuant to our meeting with you and WEDC Secretary Hughes on Friday November 8, 2019, this letter is in response to your correspondence dated November 4, 2019.

Since 2018, Foxconn has been communicating with the State of Wisconsin, especially Governor Evers, Department of Administration (DOA) and WEDC, that Foxconn's intent is to build a Gen 6 Fab at Mount Pleasant, Wisconsin – due to market and supplier conditions, and the material terms of our contract with WEDC are jobs and investment. Therefore, it comes with great surprise and disappointment that DOA and now WEDC have reaffirmed to us verbally and in writing that Gen 6 is NOT certified and is thus not qualified for tax credits. We strongly disagree with this opinion. In addition, your letters dated April 23, July 8, August 23, October 4, and November 4, 2019, rather unfortunately, represented a pattern of inaccurately portraying Foxconn's statements and positions relative to the WEDC Contract.

Foxconn is committed to investing in the State of Wisconsin through our 3E (Economy, Employment and Education) initiatives. Foxconn has been relentlessly visiting colleges around Wisconsin to recruit and hire professionals at the beginning of their careers for roles in Industrial Artificial Intelligence, Smart Manufacturing, 5G Networks and High-Performance Computing. With the low unemployment rate, we have encountered great difficulties in recruiting the talents we need for our development. Foxconn has traveled across the country from North Carolina, to Illinois, to Michigan, to Ohio and Kentucky to attract talent to Wisconsin. Both of which will grow future investment and talent with a robust tax base. This economic development drives new technologies, leads to more employment for Wisconsin citizens, and strengthens the tax base that can be used to strengthen education in Wisconsin.

Since the onset of our engagement with the State of Wisconsin, the primary focus of the Contract is to drive capital investment and job growth. While Foxconn invests millions of dollars into the State of Wisconsin and hires job seekers, these efforts are being impeded by the current administration's red herrings over the material terms of the Contract, which are overall capital investment and long-term job growth.

Discussions regarding immaterial matters are a misappropriation of our collective time and energy as we endeavor to bring significant investments and create jobs for decades to come. Distractions like these leave job creators and job seekers wondering if doing business in our great state is welcomed by Governor Evers' Administration.

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Foxconn will continue to play an important and constructive role in the State of Wisconsin; however, at this point we shall be evaluating all available options relating to the WEDC Contract.

Regards,



Alan Yeung
Director, U.S. Strategic Initiatives
Foxconn Technology Group

Cc: Secretary Missy Hughes (by email)