



STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION

Tony Evers, Governor
Joel Brennan, Secretary

November 4, 2019

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

Dear Richard:

This letter follows up on our exchange of correspondence dated October 4 and 10, 2019 about our in-person meeting on October 2, 2019.

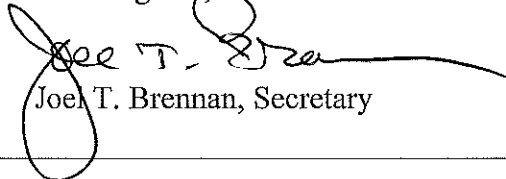
I stand by the accuracy of the statements in my October 4th letter.

The State welcomes and encourages all development by Foxconn in Wisconsin. Together with local units of government, the State continues to invest in infrastructure to support Foxconn's project. The State encourages Foxconn to take the steps suggested by WEDC and the State since March 2019 to help Foxconn get its present project certified under Wisconsin law to be eligible for tax credits. We understand the position you expressed when we met on October 2, 2019 that Foxconn is free not to request tax credits and therefore has no obligation to submit new applications. However, because Foxconn's present project has not been applied for, evaluated by WEDC, certified for eligibility, and properly contracted for, it presently is ineligible for tax credits under Wisconsin law. The present project is materially different in nature, type, cost, size and job-creation terms than the Gen 10.5 TFT LCD television factory certified by WEDC in 2017 that Foxconn previously agreed to build pursuant to its 2017 applications and the 2017 Contract.

With the new leadership now in place at WEDC, we hope Foxconn reconsiders and chooses to follow the path outlined earlier this year by both me and WEDC's past Secretary and CEO, Mark Hogan, of submitting the applications necessary to start the process of amending the Contract to fit your actual project work. We continue to recommend the amendment path as being the best way to move the relationship forward effectively and efficiently. Similarly, as WEDC has previously indicated, since Foxconn Industrial Internet is not a party to the Contract, it needs to follow the process detailed in the Contract for applying to become certified as a "recipient" should it wish to become eligible to seek tax credits for its future investments in the project zone.

In closing, we remain ready and willing to work with Foxconn on its present project, and others in the future that benefit our State through investment and employment of Wisconsin residents. We look forward to meeting with you later this week to discuss these matters.

Best Regards,



Joel T. Brennan, Secretary

Cc Mike Wittenwyler, Godfrey & Kahn S.C.
Melissa Hughes, Secretary/CEO, Wisconsin Economic Development Corporation