

August 8, 2017

The Honorable Brian Sandoval
Office of the Governor
One Hundred One North Carson Street
Carson City, Nevada 89701

Mr. Richard Combs, Director
Legislative Counsel Bureau
401 South Carson Street
Carson City, Nevada 89701

Re: FF Inc. Quarterly Activity Report (Q2 2017)

Dear Governor Sandoval and Director Combs:

The Governor's Office of Economic Development (the "Office") hereby submits this quarterly activity report pursuant to NRS 360.895, Subsection 2 for the Qualified Project known as FF Inc. (the "Project"), formerly known as Faraday Future. The attached report is based on information provided by the Lead Participant, FF Inc. pursuant to the following requirements of NRS 360.895 subsection 2:

- (a) The dollar amount of the partial abatements approved for the lead participant in each qualified project;
- (b) The number of employees engaged in construction of each qualified project who are residents of Nevada and the number of employees employed by each participant in each qualified project who are residents of Nevada;
- (c) The number of qualified employees employed by each participant in each qualified project and the total amount of wages paid to those persons;
- (d) For each qualified project an assessment of whether the participants in the qualified project are making satisfactory progress towards meeting the investment requirements necessary to support the determination by the Office that the project is a qualified project; and
- (e) Any other information requested by the Legislature.

If further information is required, please contact me at your convenience.

Sincerely,



Mike Dang
Director of Business Operations

cc: Steve Hill, Ryan Smith

Faraday Future Quarterly Activity Report Quarter Ending June 30, 2017

Reporting requirements with FF Q2 2017 responses to NRS 360.895, Subsection 2:

a. The dollar amount of the abatements approved for the Lead participant in the Project:

During Q2 2017 the dollar amount of the abatements approved for the lead participant was **\$11,803** and the 2017 year to date total amount was **\$221,603**. These abatements were allocated to a trust fund controlled by the Nevada Department of Taxation.

b. The number of employees engaged in construction of each qualified project who are residents of Nevada, and the number of employees employed by each participant in each qualified project who are residents of Nevada;

During Q2 2017, at the peak of onsite activities there were **30** construction workers of which **5** were residents of Nevada; and at the completion of onsite activities for Q2 2017 there were **11** construction workers of which **2** were residents of Nevada. Further, at the Project-to-date ("PTD") peak, there were **327** construction workers of which **192** were residents of Nevada.

During Q2 2017, there were **2** employees who were hired by/started work for the sole participant, FF, of which **0** employees were residents of Nevada. For the Project-to-date ("PTD") there are **27** employees employed by FF, of which **8** employees were residents of Nevada when they were hired.

c. The Number of Qualified Employees employed by each Participant in the Project and the total amount of wages paid to these persons:

There were no NRS 360.891 qualified employees employed during the Q2 2017 reporting period and, therefore, there were no wages paid to such employees.

d. For the Project, an assessment of whether the Participants in the Project are making satisfactory progress towards meeting the investment requirements necessary to support the determination by the Office that the Project is a Qualified Project:

FF announced on Monday, July 10, 2017 that the company has "decided to put a hold on our factory at the APEX site in North Las Vegas. As the land owner, we remain committed to the buildout of the APEX site for long-term vehicle manufacturing and firmly believe North Las Vegas is an ideal place for us to be."

FF reports to GOED indicate that in just over one year it has invested \$170,000,000 towards its North Las Vegas manufacturing plant. Most of that investment in Nevada has been applied towards land acquisition, site development and construction labor costs as well as for infrastructure design costs for the greater Apex Industrial Park.

GOED has asked FF to provide information to demonstrate continued eligibility as a qualified project.

e. Any other information requested by the Legislature.

No information requested.