

May 22, 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 (Q1 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 March 31, 2017

Reporting requirements and FF Q1 2017 responses to NRS 360.895, Subsection 2:

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

During Q1 2017 the dollar amount of the abatements approved for the lead participant was **\$206,827**; and the 2017 year to date total amount was **\$206,827**. 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 Q1 2017, at the peak of onsite activities there were **25** construction workers of which **12** were residents of Nevada; and at the completion of onsite activities for Q1 2017 there were **23** construction workers of which **10** 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 Q1 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 **24** 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 Q1 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 investment of \$14,000,000 during the first quarter of 2017. This brings their total project-to-date capital investment to approximately \$174,000,000.

FF is making satisfactory progress to support the determination that the Project is a Qualified Project.

e. Any other information requested by the Legislature.

No further information requested for this report.