

McKINNEY ECONOMIC DEVELOPMENT CORPORATION

SPECIAL BOARD MEETING

February 14, 2012

The McKinney Economic Development Corporation met on Tuesday, February 14, 2012, in the Dowdy Boardroom of the Corporation office. The meeting was called to order at 11:25 a.m. by Chairman Keith Clifton. Board members present were Secretary-Treasurer Marta Gore, Director Carrie Alfieri, Director Doug Parker, Vice-Chairman Ernest Lynch, III, Director Steven Heussner and Director Darrell Tate.

Staff present was City Manager Jason Gray, International Development VP Abby Liu, Director of BREP and Emerging Technology John Valencia and Administrative Temp April Smith.

Chairman Clifton turned the meeting over to International Development VP Abby Liu for introductions of the guests from Prospect #11-11 Green Pineapple. Ms. Liu introduced Mr. Patrick Lin, General Manager of Green Business in Taiwan; Joseph Hsu, General Manager of Front Operations; Bill Long, General Manager of Back Operations; Alven Wang, Finance Manager; and Brian Chang, Project Manager. Ms. Liu then turned the meeting over to Mr. Lin. Mr. Lin shared that Project Green Pineapple has been working on this project for about one and one half years. His company has looked in the Dallas/Ft. Worth area. The company already has operations in Grapevine and Juarez, Mexico. Mr. Lin stated his company would like to confirm a location before April or May and be set up for operations before the end of the year. Mr. Lin shared that on May 30, 2001, the design, manufacturing and service arm of Acer officially became an independent company called Wistron (incorporated under Taiwan laws). On August 19, 2003, Wistron was listed on the Taiwan Stock Exchange. Mr. Lin then shared that the company has more than twenty five sites in the world; more than 70,000 employees and a yearly production of around 70 million units. Mr. Lin then shared that the products and services of the company include: Mobile Business; Digital Consumer Business; Enterprise Business and the Services and Recycling Business. Wistron sells large computers to Facebook and provides computer recycling services. Mr. Lin also shared that the major manufacturing sites are in China with R&D and Technical Support Centers in China, Taiwan, The Netherlands and the Philippines. Wistron has recognition as a Fortune Global 500 Company; Forbes Asia Magazine FAB 50; and Asia Pacific's Best Big Public Companies. Mr. Lin shared that the culture is very important at Wistron. The employees are happier and more focused compared to competitors. Wistron treats its employees like a shareholder. Next Mr. Lin shared that the new area of business for Wistron is "recycling" and how a computer is treated after retirement. Wistron wants to show the world how to treat computers for retirement and be globally responsible. Mr. Lin next shared that the vision is to be the leading service supplier of e-waste recycling with a mission to provide ODN/OEM clients "cradle to cradle" closed-loop solutions. Wistron is focused on refining materials for reuse. Mr. Lin shared that the structure overview includes front end which includes asset recovery, refurbish and the dismantling operation. It also includes back end which is the refining operation including: plastics, circuit boards, batteries and display. Mr. Lin next stated that circuit boards contain toxic items, but if Wistron refines circuits in the U.S. they will not generate pollution. Wistron has potential clients through Texas Instruments. There are many challenges ahead because Wistron is a pioneer in this business and permits are needed for processing. Mr. Lin shared that there are four processes involved in recycling a circuit: 1.1 would be taking out the component from the circuit board; 1.2 is sorting; 2. chemical treatment; 3. high pressure metal (most critical to get permit); 4. copper and fiber glass removal. Mr. Lin shared that the goals for the North American circuit board

refining operation are: environmental friendly (non-pyro-metallurgical) process; capacity per year would be 10 million pieces of grade A circuit board. The proposed schedule would be to have mechanical process mass production by June, 2012, and chemical process mass production by September 2012. The expected job opportunities will be 80 to 120 in 2012 and 2013 with further growth in 2014. Mr. Lin opened the floor for questions. There were no questions; however, Ms. Liu stated that she started working with Wistron in December 2010. Wistron has had ten site visits with number eleven being today. Mr. Lin commented that the enthusiasm from the McKinney Government has had a large part in Wistron choosing its location. He also commented that Ms. Liu never gives up. Mr. Lin shared that part of the key elements in choosing a location depend on the attitude of the local government and the help that will be available for permits because this would be a pioneer site. Mayor Loughmiller then commented that he toured the Wistron facility in Taipei in October of 2011. The Mayor shared that the corporate culture that he witnessed is exactly what we want in McKinney. Mayor Loughmiller also shared that we are providing help with the permit process through Ken Paxton, Florence Shapiro and the Governor's office. The application process will take approximately 60-90 days. Mr. Loughmiller shared that McKinney is committed to helping secure a permit and he will go to Austin for testimony to help secure the permit. Mr. Loughmiller concluded that McKinney is the place for Wistron to be. Mr. Lin shared that the Mayor has enthusiasm and if Wistron comes to McKinney it will benefit McKinney and Wistron. Ms. Liu commented that Wistron is very involved with social responsibility. Ms. Gore thanked Mr. Lin for coming and stated that Wistron is about "jobs" and "green" and that is a perfect fit as McKinney's slogan is "Unique by Nature".

Mr. Clifton excused the guests and started the executive session at 12:20 p.m.

Executive session ended at 12:55.

Open session started with Mr. Tate making a motion to approve the incentives offered to Prospect Proposal # 11-11. Mr. Lynch seconded. Motion carried.

Meeting adjourned at 12:57 p.m.

MARTA GORE, MEDC Secretary/Treasurer