

Frequency Electronics, Inc. Amendment Resolution

A regular meeting of the Nassau County Industrial Development Agency (the "Agency") was convened in public session at the Theodore Roosevelt Executive & Legislative Building, Legislative Chambers, 1550 Franklin Avenue, Mineola, Nassau County, New York, on January 31, 2024, at 6:30 p.m., local time.

The meeting was called to order by the Chairman, upon roll being called, the following members of the Agency were:

PRESENT:

William H. Rockensies	Chair
John Coumatos	Asst. Treasurer
Raymond Pinto	Secretary
Reginald A. Spinello	Member
Marco Troiano	Member

NOT PRESENT:

Victor LaGreca	Member
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THE FOLLOWING ADDITIONAL PERSONS WERE PRESENT:

Sheldon L. Shrenkel	Chief Executive Officer/Executive Director
Anne LaMorte	Chief Financial Officer
Colleen Pereira	Administrative Director
Carlene Wynter	Compliance Assistant
Nicole Gil	Administrative Assistant
Ben Ciorra	Director of Operations
Anthony Marano	Agency Counsel
Paul O'Brien	Bond/Transaction Counsel

The attached resolution no. 2024-04 was offered by R. Pinto, seconded by M. Troiano.

Resolution No. 2024-04

RESOLUTION TAKING ACTION WITH RESPECT TO A CERTAIN
PROJECT FOR FREQUENCY ELECTRONICS, INC., AND OTHER
MATTERS IN CONNECTION THEREWITH

WHEREAS, the Nassau County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title I of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act"), and Chapter 674 of the 1975 Laws of New York, as amended, constituting Section 922 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, industrial and commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, FREQUENCY ELECTRONICS, INC., a corporation organized and existing under the laws of the State of Delaware and qualified to do business in the State of New York as a foreign corporation (the "Company"), presented an application for financial assistance (the "Application") to the Agency, which Application requested that the Agency consider undertaking a project (the "Project") consisting of the following: (A) (1) the retention or acquisition of an interest in an approximately 16.5 acre parcel of land located at 55 Charles Lindbergh Boulevard, Mitchel Field, Garden City, Town of Hempstead, County of Nassau, New York (Section: 44; Block: F; Lot: 377) (collectively, the "Land"), (2) the renovation of the existing approximately 91,027 aggregate square foot industrial/flex-space buildings on the Land (collectively, the "Building"), together with related improvements to the Land, and (3) the acquisition of certain furniture, fixtures, machinery and equipment necessary for the completion thereof (the "Equipment"), all of the foregoing for use by the Company as a manufacturing facility and as its corporate headquarters (collectively, the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions or partial exemptions from sales and use taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other entity as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, the Agency appointed the Company as agent of the Agency to undertake the acquisition, renovation, installation and equipping of the Project Facility pursuant to the terms and

conditions set forth in the Agency and Financial Assistance and Project Agreement dated as of May 1, 2019 between the Company and the Agency (as amended to date, the "Project Agreement"), and the other Transaction Documents (as defined in the Project Agreement); and

WHEREAS, by letter dated October 24, 2023 (the "Default Letter"), the Agency notified the Company that the Company is not in compliance with its obligations under the Project Agreement and the other Transaction Documents and that one (1) or more defaults have occurred as a result of the failure to maintain the Minimum Employment Requirement (as defined in the Project Agreement) required as of December 31, 2022, as evidenced by the jobs report submitted by the Company to the Agency on or about March 8, 2023; and

WHEREAS, pursuant to the Default Letter, the Agency also notified the Company that one (1) or more recapture events have occurred as a result of the failure to maintain the Minimum Employment Requirement at all times during the term of the Project Agreement, which constitute Recapture Events pursuant to Section 4.8(c)(i) and (vi) of the Project Agreement; and

WHEREAS, based on discussions between the Company and the CEO/Executive Director of the Agency, the Company has proposed that the Agency waive the default and recapture events set forth in the Default Letter, as well as default and recapture events for FY2023 resulting from a slightly larger job shortage as of December 31, 2023, and enter into an amendment of the Project Agreement to adjust the Minimum Employment Requirement; and

WHEREAS, the Agency is willing to accommodate the Company's requests set forth above (collectively, the "Waiver Request"), subject to the terms and conditions set forth in this Resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Project Agreement.

Section 2. The Agency hereby determines that the proposed action is a Type II Action pursuant to Article 8 of the New York Environmental Conservation Law (including the regulations thereunder, "SEQRA") involving "continuing agency administration" which does not involve "new programs or major reordering of priorities that may affect the environment" (6 NYCRR Section 6.17.5(c)(26)), and therefore no findings or determination of significance are required under SEQRA.

Section 3. The Agency hereby determines that the Agency has fully complied with the requirements of the Act, SEQRA and all other Applicable Laws that relate to the Waiver Request.

Section 4. Based on the recitals set forth above and on the facts and information obtained by the staff of the Agency and reported to and reviewed by the members of the Agency at this meeting, the Agency hereby determines that it has reviewed and assessed all material information necessary to afford a reasonable basis for the Agency to make the determinations set forth herein.

Section 5. The Agency is hereby authorized to grant the Waiver Request provided that the Company shall enter into an amendment to the Project Agreement providing that, effective as of January 1, 2024, the Company shall (i) maintain not less than one hundred forty-five (145) full-time equivalent jobs at the Project Facility at all times during the remainder of the term of the Project Agreement, and (ii) make an immediate payment to the Agency in an amount equal to twenty percent (20%) of the otherwise applicable Recapture of Benefits due and payable based on the recapture events set forth in the Default Letter.

Section 6. The Agency hereby ratifies, confirms and approves all actions heretofore taken by the CEO/Executive Director and the staff of the Agency with respect to the matters contemplated by this Resolution, including, without limitation, those actions required to ensure full compliance with the requirements of the Act, SEQRA and all other Applicable Laws that relate thereto.

Section 7. The Chair, Vice Chair, CEO/Executive Director and Administrative Director of the Agency, acting individually or jointly, are each hereby authorized to execute, acknowledge and deliver any documents, instruments or agreement he or she deems necessary or advisable to accomplish the purposes of this Resolution. The execution and delivery of any such document, instrument or agreement by any one of said officers shall be conclusive evidence of due authorization and approval.

Section 8. The authorizations set forth in this Resolution are subject to the condition that the Company shall reimburse the Agency for all costs and expenses incurred by or payable to the Agency in connection with the transactions contemplated herein, including, without limitation, all attorneys' fees and disbursements incurred by the Agency with respect hereto.

Section 9. The Agency hereby authorizes the Chair, Vice Chair, CEO/Executive Director and Administrative Director of the Agency, acting individually or jointly, to approve modifications to the terms approved hereby which are not inconsistent with the intent and substance of this Resolution, such approval to be evidenced by the execution by such officers of the documents, instruments or agreements containing such modifications.

Section 10. The Chair, Vice Chair, CEO/Executive Director and Administrative Director of the Agency, acting individually or jointly, are hereby authorized and directed to distribute copies of this Resolution to the Company and such other parties as any such officer may determine.

Section 11. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

William H. Rockensies	VOTING	Aye
John Coumatos	VOTING	Aye
Raymond Pinto	VOTING	Aye
Reginald A. Spinello	VOTING	Aye
Victor LaGreca	NOT PRESENT	
Marco Troiano	VOTING	Aye

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK

) SS.:

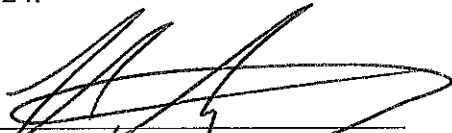
COUNTY OF NASSAU

We, the undersigned ~~[Vice]~~ Chair and ~~[Assistant]~~ Secretary of the Nassau County Industrial Development Agency (the "Agency"), do hereby certify that we have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on January 31, 2024 with the original thereof on file in our office, and that the same is a true and correct copy of said original and of such Resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.


WE FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; (D) there was a quorum of the members of the Agency present throughout said meeting; and (E) the meeting was recorded and the recording has been or will be posted on the public website of the Agency pursuant to the Open Meetings Law.

WE FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, we have hereunto set our respective hands and affixed the seal of the Agency this 31st day of January, 2024.



~~[Assistant]~~ Secretary



~~[Vice]~~ Chair

(SEAL)