

Delta Sheet Metal Corp. - Consent & 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, Ceremonial Chambers, 1550 Franklin Avenue, Mineola, Nassau County, New York, on July 28, 2025, at 6:15 p.m., local time.

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

PRESENT:

William H. Rockensies	Chair (present for roll call but departed prior to consideration of resolution)
Raymond Pinto	Secretary/Asst. Treasurer
John Coumatos	Treasurer
Reginald A. Spinello	Member
Marco Troiano	Member
Joseph Manzella	Member

NOT PRESENT:

THE FOLLOWING ADDITIONAL PERSONS WERE PRESENT:

Sheldon L. Shrenkel	Chief Executive Officer/Executive Director
Colleen Pereira	Administrative Director
Stephanie Alfano	Temporary Administrative Assistant
Anthony Marano	Agency Counsel
Paul O'Brien	Bond/Transaction Counsel

The attached resolution no. 2025-37 was offered by R. Spinello, seconded by M. Troiano.

Resolution No. 2025-37

RESOLUTION TAKING ACTION WITH RESPECT TO A CERTAIN
PROJECT FOR DELTA SHEET METAL CORP., 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, Delta Sheet Metal Corp., a corporation organized and existing under the laws of the State of New York (“Delta” or the “Company”), 940 RE Company LLC, a limited liability company organized and existing under the laws of the State of New York (“940RE”), and Steel 940, LLC, a limited liability company 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 limited liability company (“Steel” and together with Delta and 940RE, the “Applicants”), submitted a joint application for financial assistance (the “Application”) to the Agency requesting that the Agency consider undertaking a project (the “Project”) consisting of the following: (A)(1) the acquisition of an interest in an approximately 3.05 acre parcel of land located at 940 South Oyster Bay Road, Hicksville, Town of Oyster Bay, Nassau County, New York (Section: 46; Block: N; Lot: 72) (the “Land”), (2) the renovation of an approximately 66,000 square foot portion of the existing approximately 74,000 square foot building 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 Delta and its affiliates as an office, manufacturing and warehouse facility (collectively, the “Project Facility”); (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing in the form of potential exemptions or partial exemptions from real property taxes, mortgage recording taxes and sales and use taxes (collectively, the “Financial Assistance”); (C) the lease (with an obligation to purchase), license or sale of the Project Facility to 940RE and Steel, as tenants-in-common, or such other entity(ies) as may be

designated by 940RE and Steel and agreed upon by the Agency; and (D) the sublease of the Project Facility by 940RE and Steel (or such other entity(ies) designated by 940RE and Steel and agreed upon by the Agency) to Delta (or such other entity designated by Delta 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 and sub-subleased the Project Facility to the Company, and the Company agreed to act as agent of the Agency to undertake the acquisition, renovation, installation and equipping of the Project Facility and sub-subleased the Project Facility from the Agency, all pursuant to the terms and conditions set forth in that certain Sublease Agreement (Uniform Project Agreement) dated as of August 1, 2017 (as amended, modified, supplemented and restated to date, the “Lease”) and in the other Transaction Documents (as defined in the Lease); and

WHEREAS, by letter dated October 23, 2023 (the “Default Letter”), the Agency notified the Applicants that the Company is not in compliance with its obligations under the Lease 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 Lease) required as of December 31, 2022, as evidenced by the jobs report submitted by the Company to the Agency on or about March 31, 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 Lease, which constitute Recapture Events pursuant to the Lease; and

WHEREAS, pursuant to a letter dated March 14, 2025, the Applicants requested that the Agency consent to the transfer by 940RE to Steel of 940RE’s existing right, title and interest in the Project Facility as tenant-in-common with Steel, such that Steel would become the sole owner of fee title to the Project Facility (collectively, the “Fee Transfer Transaction”); and

WHEREAS, the Fee Transfer Transaction was consummated on April 7, 2025; and

WHEREAS, pursuant to a letter dated June 12, 2025, 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 job shortage as of December 31, 2023 and for FY2024 resulting from a job shortage as of December 31, 2024, and enter into an amendment of the Lease to adjust the Minimum Employment Requirement and certain other amendments to the Transaction Documents in connection therewith; 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 Lease.

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. No additional Financial Assistance is being requested by the Applicants with respect to the Waiver Request and, therefore, no public hearing of the Agency is required pursuant to Section 859-a of the Act.

Section 4. 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 5. 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 6. The Agency is hereby authorized to grant the Waiver Request provided that the Company shall enter into an amendment to the Lease providing that, effective as of January 1, 2025, the Company shall maintain not less than one hundred seventy-five (175) full-time equivalent jobs at the Project Facility for the 2025 calendar year and at all times thereafter during the remainder of the term of the Lease. In addition, (i) the Agency would accept a partial recapture of benefits from the Company in an amount proportionate to the job shortfall for the 2022 calendar year and calculated through the date of execution the aforementioned amendment of the Lease, (ii) the Applicants and the Agency would enter into an amendment of the PILOT Agreement to reflect an increase in the PILOT payments and a corresponding decrease in PILOT savings that is proportionate to the job shortfall for the 2022 calendar year, (iii) the Agency would waive any defaults arising from (a) a transfer in 2019 of ownership interests in the parent of the Company to Eagle Rock Capital Partners ("Eagle"), provided that Eagle no longer owns such interests, and (b) the resulting conversion by merger of the Company with and into Delta Sheet Metal Merger LLC, (iv) the Agency would waive any defaults arising from the transfer in 2025 of equity interests in the Company to P.J.M Intermediate, LLC, which is a wholly-owned subsidiary of Electra USA Inc. ("Electra"), and (v) the Agency would accept Electra as an additional guarantor of the obligations of the Applicants to the Agency.

Section 7. 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 8. The Acting 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 9. The authorizations set forth in this Resolution are subject to the condition that the Company shall (a) pay the Agency its consent fee in the amount of \$50,928, (b) pay the Agency's general counsel fee in the amount of \$8,109, and (c) 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 10. The Agency hereby authorizes the Acting 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 11. The Acting 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 Applicants and such other parties as any such officer may determine.

Section 12. This Resolution shall take effect immediately and shall be effective for one hundred twenty (120) days after the date of its adoption.

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	NOT PRESENT/ RECUSED	
John Coumatos	VOTING	Aye
Raymond Pinto	VOTING	Aye
Reginald A. Spinello	VOTING	Aye
Marco Troiano	VOTING	Aye
Joseph Manzella	VOTING	Aye

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK

) SS.:

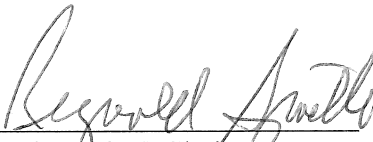
COUNTY OF NASSAU


We, the undersigned [~~Acting/Vice~~] Chair and [~~Asst.~~] 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 July 28, 2025 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; and (D) there was a quorum of the members of the Agency present throughout said meeting.

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 28th day of July, 2025.


[~~Acting/Vice~~] Chair


[~~Asst.~~] Secretary

(SEAL)