

STEEL O-II, LLC Consent Resolution

A regular meeting of the Nassau County Industrial Development Agency (the "Agency") was convened in public session, electronically, pursuant to Executive Order No. 202.11, 202.28, 202.48, 202.55, 202.60 and 202.67 - Continuing Temporary Suspension And Modification Of Laws Relating To The Disaster Emergency - by Governor Andrew M. Cuomo of the State of New York on October 22, 2020 at 6:00 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:

Richard Kessel	Chairman
Lewis M. Warren	Vice Chairman
Anthony Simon	2nd Vice Chairman
Amy Flores	Treasurer
John Coumatos	Asst. Treasurer
Timothy Williams	Secretary

NOT PRESENT:

Chris Fusco	Asst. Secretary
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THE FOLLOWING ADDITIONAL PERSONS WERE PRESENT:

Harry Coghlan	Chief Executive Officer / Executive Director
Danielle Oglesby	Chief Operating Officer/ Deputy Executive Director
Anne LaMorte	Chief Financial Officer
Catherine Fee	Director of Business Development/Chief Marketing Officer
Colleen Pereira	Administrative Director
Carlene Wynter	Compliance Assistant
Nicole Gil	Administrative Assistant
Thomas D. Glascock, Esq.	General Counsel
Andrew D. Komaromi, Esq.	Bond/Transactional Counsel

The attached resolution no. 2020-94 was offered by Anthony Simon, seconded by Amy Flores.

Resolution No. 2020 – 94

RESOLUTION OF THE NASSAU COUNTY INDUSTRIAL
DEVELOPMENT AGENCY AUTHORIZING CERTAIN
MATTERS IN CONNECTION WITH ITS STRAIGHT-LEASE
TRANSACTION WITH STEEL 0-II, LLC.

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 1 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, STEEL 0-II, LLC, a limited liability company duly organized and existing under the laws of the State of Delaware and qualified to do business as a foreign limited liability company in the State of New York (the “Company”), submitted an 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 a parcel of land located at 401 Grumman Road West, Bethpage, Town of Oyster Bay, County of Nassau, New York (Section: 46; Block: 323; Lot: 289) (collectively, the “Land”), (2) the renovation and improvement of an approximately 85,000 square foot building on the Land, together with related improvements to the Land (collectively, the “Building”), and (3) the acquisition and installation therein and thereon of certain furniture, fixtures, machinery and equipment (the “Equipment”), all of the foregoing for use as a commercial warehouse/distribution facility (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, mortgage recording taxes and real property taxes (but not including special assessments and ad valorem levies) (collectively, the “Financial Assistance”); (C) the lease (with an obligation to purchase), license 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 the sublease thereof to one or more subtenants designated by the Company and agreed upon by the Agency; and

WHEREAS, the Company received Financial assistance with respect to the Project Facility from 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 the Agency has subleased the Project Facility to the Company, all pursuant to the terms and conditions set forth

in the Sublease Agreement dated as of February 1, 2011 between the Company and the Agency (as amended to date, the “Lease”), and the other Transaction Documents (as defined in the Lease); and

WHEREAS, pursuant to a consent and waiver request letter from the Company’s counsel, dated October 9, 2020 (the “Consent Request”), the Company requested that the Agency consent to the execution and delivery by the members of the Company to JPMorgan Chase Bank, N.A. (the “Lender”) of a Pledge and Security Agreement and related documents (collectively, the “Collateral Pledge”) pledging such member’s right, title, and interest in and to their membership interest in the Company to secure an approximately \$59,000,000 line of credit in favor of the Company and its affiliates (collectively, the “Proposed Transaction”); and

WHEREAS, pursuant to Section 10.1(7) of the Lease, it constitutes an Event of Default under the Lease if any interest in the Company shall be sold, assigned, transferred, conveyed, mortgaged, pledged, hypothecated or alienated, or if any shareholder of the Company enters into an agreement or contract to do so, without the prior written consent of the Agency, which consent may be withheld in the Agency's reasonable discretion; and

WHEREAS, the Consent Request states that the Company understands and agrees that an exercise of the Lender’s remedies under the Collateral Pledge that results in a transfer of the membership interests in the Company to the Lender or its designee will be deemed an Event of Default under the Lease Agreement and that the Agency in that case would be entitled to exercise its termination and recapture remedies. The Consent Request further states that the personal guaranty executed by Joseph J. Lostritto, Jr. and Glenn Lostritto in connection with the execution and delivery of the Lease will remain in force and effect and would cover those liabilities.

WHEREAS, no additional Financial Assistance is being requested by the Company with respect to the Proposed Transaction and such request and, therefore, no public hearing of the Agency is required pursuant to Section 859-a of the Act; and

WHEREAS, the Agency is willing to consent to such request and waive the Event of Default that would arise under Section 10.1(7) of the Lease due to the execution and delivery of the Collateral Pledge, subject to the terms of 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 ratifies, confirms and approves actions heretofore taken by the Chief Executive Officer/Executive Director and the staff of the Agency with respect to the consent and waiver and other matters contemplated by this Resolution, including, without limitation, those actions required to ensure full compliance with the requirements of the Act, Article 8 of the Environmental Conservation Law (the “SEQR Act”) and the regulations

adopted pursuant thereto (the “Regulations” and together with the SEQR Act, collectively, “SEQRA”), and all other Applicable Laws that relate thereto.

Section 3. The Agency determines that the Company's request with respect to previously approved and unchanged Project is a Type II Action pursuant to SEQRA involving “continuing agency administration” which does not involve “new programs or major reordering of priorities that may affect the environment” (6 NYCRR §617.5(c)(20)) and therefore no Findings or determination of significance are required under SEQRA.

Section 4. No additional Financial Assistance is being requested by the Applicant with respect to this request, and, therefore, no public hearing of the Agency is required pursuant to Section 859-a of the Act.

Section 5. The Agency has considered the request made by the Company and hereby finds and determines that the requested consent will promote the job opportunities, health, general prosperity and economic welfare of the inhabitants of Nassau County, New York, and improve their standard of living, and thereby serve the public purposes of the Act.

Section 6. 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 requested consents.

Section 7. The Chairman, Vice Chairman, Chief Executive Officer/Executive Director, Chief Operating Officer/Deputy Executive Director and Administrative Director of the Agency are each hereby designated an Authorized Representative of the Agency and each of them is hereby authorized and directed, acting individually or jointly, to execute and deliver any and all consents, agreements, amendments, papers, instruments, opinions, certificates, affidavits and other documents required in connection with the consent and waiver authorized hereby (collectively, the “Consent Documents”), and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution, including, without limitation, taking any necessary action to obtain consent of any other person or party necessary with respect to execution, delivery and approval of the Consent Documents, The execution and delivery of the Consent Documents by any one of said officers shall be conclusive evidence of due authorization and approval. The execution and delivery of the Consent Documents, being substantially in the forms used for prior similar transactions, are hereby authorized and approved and ratified.

Section 8. The authorizations set forth in this Resolution are subject to the conditions that the Company shall reimburse the Agency for all costs and expenses incurred by the Agency in connection with the transactions contemplated herein, including, without limitation, the Agency's consent and amendment fees and all reasonable attorneys' fees and disbursements incurred by the Agency, including without limitation, the fees and expenses of Special Counsel, Harris Beach PLC.

Section 9. All covenants, stipulations, obligations and agreements of the Agency contained in this Resolution and the Consent Documents shall be deemed to be the covenants, stipulations, obligations and agreements of the Agency to the full extent authorized or permitted

by law, and such covenants, stipulations, obligations and agreements shall be binding upon the Agency and its successors from time to time; provided, however, that no covenants, stipulations, obligations or agreements of the Agency contained in this Resolution, any Consent Document shall give rise to any pecuniary liability of the Agency or a charge against its general credit or shall obligate the Agency in any way except to the extent that the same can be paid or recovered from the Project Facility or the sale or liquidation of the Project Facility or revenues therefrom.

No covenant, stipulation, obligation or agreement herein contained or contained in any Consent Document shall be deemed to be a covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her individual capacity and neither the members of the Agency nor any officer executing any Consent Document shall be liable personally on the Consent Documents or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 10. The Chairman and Chief Executive Officer/Executive Director of the Agency are each hereby authorized to approve modifications to the terms approved herein which are not inconsistent with the intent and substance of this Resolution, such approval to be evidenced by the execution by any one of such officers of the Consent Documents containing such modifications.

Section 11. Notwithstanding any provision in the Transaction Documents to the contrary, the Agency's consent to the Collateral Pledge and waiver of the Event of Default that would arise under Section 10.1(7) of the Lease due to the execution and delivery of the Collateral Pledge does not and shall not be construed to mean that there are no defaults or events of default under the Lease or any other Transaction Document or that any such defaults or events of default have been or shall be waived by the Agency except as specifically authorized hereby.

Section 12. 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:

Richard Kessel	VOTING Aye
Lewis M. Warren	VOTING Aye
Anthony Simon	VOTING Aye
Timothy Williams	VOTING Aye
Chris Fusco	VOTING Absent
Amy Flores	VOTING Aye
John Coumatos	VOTING Aye

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK

) SS.:

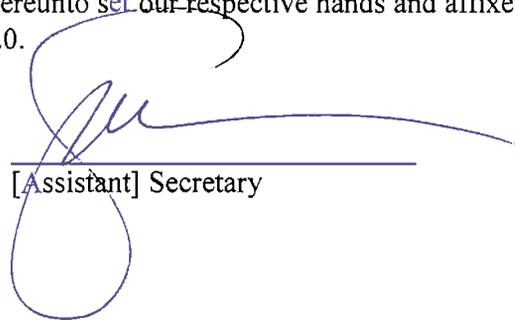
COUNTY OF NASSAU

We, the undersigned [Vice] Chairman 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 October 22, 2020 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 5 of the Public Officers Law (the "Open Meetings Law") as modified pursuant to Executive Order No. 202.11, 202.28, 202.48, 202.55, 202.60 and 202.67 - Continuing Temporary Suspension And Modification Of Laws Relating To The Disaster Emergency - by Governor Andrew M. Cuomo of the State of New York, 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 22nd day of October, 2020.



[Assistant] Secretary

[Vice] Chairman

(SEAL)

STATE OF NEW YORK

) SS.:

COUNTY OF NASSAU

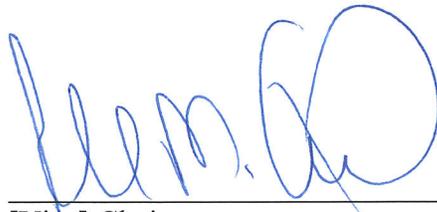
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[Assistant] Secretary

A handwritten signature in blue ink, appearing to be "W. M. A.", written over a horizontal line.

[Vice] Chairman

(SEAL)