

CONTINUING DISCLOSURE AGREEMENT

\$13,640,000
TOWN OF HEMPSTEAD
LOCAL DEVELOPMENT CORPORATION
TAX-EXEMPT and TAXABLE REVENUE
REFUNDING BONDS, SERIES 2019
(CIRCULO REAL PROPERTY HOLDING
CORPORATION / EVERGREEN CHARTER
SCHOOL PROJECT)
SERIES 2019A (TAX-EXEMPT)

\$900,000
TOWN OF HEMPSTEAD
LOCAL DEVELOPMENT CORPORATION
TAX-EXEMPT and TAXABLE REVENUE
REFUNDING BONDS, SERIES 2019
(CIRCULO REAL PROPERTY HOLDING
CORPORATION / EVERGREEN CHARTER
SCHOOL PROJECT)
SERIES 2019B (TAXABLE)

THIS CONTINUING DISCLOSURE AGREEMENT dated as of August 8, 2019 (this “Disclosure Agreement”) is executed and delivered by Circulo Real Property Holding Corporation, a New York not-for-profit corporation (the “Borrower”), Evergreen Charter School, a New York not-for-profit corporation (the “School”), Circulo de la Hispanidad, Inc., a New York not-for-profit corporation (the “Guarantor”), for the holders of the above-captioned bonds (the “Bonds”) under the Trust Indenture, dated as of August 1, 2019 (the “Indenture”), between the Town of Hempstead Local Development Corporation (the “Issuer”) and UMB Bank, N.A., in its capacity as trustee (the “Trustee”). The Borrower, the Guarantor, and the School covenant and agree as follows:

Section 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Borrower, the School, and the Guarantor for the benefit of the Holders and Beneficial Holders of the Bonds and in order to assist the Participating Underwriter in complying with, and constitutes the written undertaking of the Borrower, the Guarantor, and the School for the benefit of the Bondholders required by, Section (b)(5)(i) of Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (17 C.F.R. § 240.15c2-12) (the “Rule”).

The Borrower, School, and Guarantor, each as an “obligated person” within the meaning of the Rule, undertakes to provide the following information as provided in this Disclosure Agreement:

- (a) Annual Reports;
- (b) Quarterly Reports; and
- (c) Guarantor Audited Financial Statements.

Section 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“*Annual Report*” means any annual report provided by the Borrower or the School, pursuant to and as described in Section 3(b) of this Disclosure Agreement.

“*Audited Financial Statements*” means the annual audited financial statements of the Borrower, Guarantor and the School.

“*Beneficial Holders*” means any person who has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds, including persons holding Bonds through nominees or depositories.

“*Dissemination Agent*” means any person or entity designated in writing by the Borrower, the Guarantor, and the School as the dissemination agent and which has filed with the Trustee a written acceptance of such designation. As the date hereof, the Borrower, the Guarantor, and the School have not designated a third party dissemination agent.

“*Holdings*” means either the registered owners of the Bonds, or, if the Bonds are registered in the name of The Depository Trust Company or another recognized depository, any applicable participant in its depository system.

“*Lease Agreement*” means the Lease Agreement dated as of April 5, 2019 between the School and the Borrower.

“*Listed Event*” means any of the events listed in Section 4(a) hereof.

“*Limited Offering Memorandum*” means the Issuer’s Limited Offering Memorandum dated August 8, 2019 for the Bonds.

“*Loan Agreement*” means the Loan Agreement dated as of August 1, 2019 between the Issuer and the Borrower.

“*Participating Underwriter*” means the original underwriter of the Bonds who is required to comply with the Rule in connection with offering of the Bonds.

“*Quarterly Report*” means any quarterly report provided by the Borrower, the Guarantor, or the School pursuant to, and as described in, Section 3(a) of this Disclosure Agreement.

“*Repository*” means the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access (“EMMA”) system currently at <http://emma.msrb.org>.

Section 3. Provision of Quarterly Reports and Annual Reports.

(a) Quarterly Reports.

(i) (A) The School will not later than 60 days following the end of each calendar quarter, commencing with the Quarterly Report for the calendar quarter ending June 30, 2019, provide to the Repository a Quarterly Report in the appropriate format required by law or applicable regulation which is consistent with the requirements of Subsection (a)(ii) of this Section.

(B) If the School is unable or for any other reason fails to provide a Quarterly Report or any part thereof by the date required in Subsection (a)(i)(A) of this Section, the School will send a notice to that effect no later than such date to the Repository, along with the other parts, if any, of the Quarterly Report. Such notice shall be in the form as set forth on Exhibit A hereto. The School will provide a copy of such notice to the Issuer.

(ii) (A) Quarterly Reports will contain or incorporate by reference the following information:

(I) The School’s financial report (including versus budget) prepared by the School’s chief financial officer;

(II) Copies of any written reports of an Independent Consultant engaged by the School in accordance with its covenants in the Lease Agreement.

(B) The Quarterly Reports may be submitted as a single document, or as separate documents comprising a package, and may incorporate by reference from other documents other information, including official statements of debt issues for the benefit of the School or related entities which have been submitted to the Repository. If the document incorporated by reference is a final official statement, it must be available from the Repository. The School will clearly identify each such other document so incorporated by reference.

(b) Annual Reports.

(i) While any Bonds are outstanding, the Borrower and the School will provide the Annual Report on or before December 31 of each year (the "Report Date"), beginning on or before 180 days after each Fiscal Year end to the Repository in an electronic format as prescribed by the Repository.

(ii) The term "Annual Report" includes the Borrower's Audited Financial Statements and the School's Audited Financial Statements, and the financial and operating data of the School substantially of the type set forth in Appendix A to the Limited Offering Memorandum. The School will also provide an auditor's certificate showing calculations of and compliance with the Fixed Rent Coverage Ratio and Days Cash on Hand requirements.

(iii) The Annual Report will contain or incorporate by reference the following (information to be as of June 30 of the prior Fiscal Year, with respect to the School and May 31 of the prior Fiscal Year with respect to the Borrower):

(A) An officer's certificate or other form of annual certification to the effect that no events of default have occurred and/or are continuing, and the Borrower and the School are in compliance with all covenants, insurance and other requirements under the Loan Agreement or Lease Agreement, as applicable; and

(B) Omitted.

(c) Audited Financial Statements

(i) While any Bonds are outstanding, the Guarantor will provide Audited Financial Statements on or before one hundred eighty (180) days after each Fiscal Year end beginning on or before May 31, 2019 to the Repository in an electronic format as prescribed by the Repository.

(d) If the Borrower and the School are unable to provide an Annual Report to the Repository by the applicable Report Date, and if the Guarantor is unable to provide Audited Financial Statements to the Repository by the applicable Report Date, the Borrower, the School, or the Guarantor shall provide to the Repository notice of any such failure to provide the Annual Report or Audited Financial Statements by the applicable Report Date. Such notice shall be in the form as set forth in Exhibit A hereto.

(e) The School will participate in at least one informational call each year with the Borrower, the Majority Bondholder and all other requesting Bondholders on such dates and at such times as the Borrower may arrange and School shall respond to such reasonable questions and additional information requests as any such Bondholder may present.

Section 4. Reporting of Listed Events

(a) This Section 4 shall govern the giving of notices of the occurrence of any of the Listed Events with respect to the Bonds:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of Bondholders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Bond Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership, or similar event of the Borrower, the School, or the Guarantor which shall be considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Borrower, the School, or the Guarantor in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Borrower, School, or Guarantor or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan or reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Borrower, School, or Guarantor;
- (xiii) The consummation of a merger, consolidation, or acquisition involving the Borrower, School, or Guarantor or the sale of all or substantially all of the assets of the

Borrower, School, or Guarantor other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to such actions, other than pursuant to its terms, if material;

(xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(xv) Incurrence of a Financial Obligation of the Borrower, Guarantor or School, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of Financial Obligation of the Borrower, Guarantor or School, any of which affect security holders, if material; and

(xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of Borrower, Guarantor or School, any of which reflect financial difficulties.

(xvii) Violation of any covenant under the Loan Documents, except in cases in which the covenant default is cured within the applicable cure period.

(b) Reserved.

(c) If the Borrower, School, or Guarantor obtains knowledge of the occurrence of a Listed Event, the Borrower, School, or Guarantor as applicable, shall file in a timely manner not in excess of ten Business Days after such occurrence a notice of such occurrence with the Repository in an electronic format by the Repository.

Section 5. Termination of Reporting Obligation. The Borrower's, Guarantor's and the School's obligations under this Disclosure Agreement shall automatically terminate once the Bonds are no longer outstanding with respect to the Borrower, once it is no longer obligated on the Bonds.

Section 6. Dissemination Agent. The Borrower, School, and Guarantor may, from time to time, appoint or engage a Dissemination Agent to assist them in carrying out their obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent upon notice to the Dissemination Agent.

Section 7. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Borrower, the School, and the Guarantor may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived by the parties hereto, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws, acceptable to the Borrower, the School, the Guarantor to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule.

Section 8. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Borrower, School, or Guarantor from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a material event, in addition to that which is required by this Disclosure Agreement. If the Borrower, School, or Guarantor chooses to include any information in any Annual Report or notice of occurrence of a material event in addition to that which is specifically required by this Disclosure Agreement, the Borrower, the Guarantor, and the School shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report.

Section 9. Default. In the event of a failure of the Borrower, the School, or the Guarantor to comply with any provision of this Disclosure Agreement, the Trustee, at the written direction of the Participating Underwriter or the Holders of at least 25% in aggregate principal amount of Outstanding Bonds, shall, but only to the extent the Trustee receives indemnification to its satisfaction, or any Beneficial Holder or Holder of any of the Bonds may, seek mandate or specific performance by court order, to cause the Borrower, the School, the Guarantor as the case may be, to comply with its obligations under this Disclosure Agreement; provided that none of the Borrower, the School, the Guarantor shall be liable for monetary damages or any other monetary penalty or payment for breach of any of its obligations under this Section 9. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Loan Agreement or the Indenture, and the rights and remedies provided by the Loan Agreement upon the occurrence of an “Event of Default” shall not apply to any such failure. The sole remedy under this Disclosure Agreement in the event of any failure of the Borrower, the School, and the Guarantor to comply with this Disclosure Agreement shall be an action to compel specific performance.

Section 10. Reserved.

Section 11. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Borrower, the School, the Guarantor, the Issuer, the Trustee, the Participating Underwriter and the respective successors and assigns of each of the foregoing, as well as the Beneficial Holders and Holders of any Bonds and shall create no rights in any other person or entity.

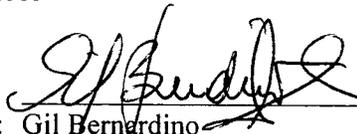
Section 12. Interpretation. It being the intention of the Borrower, the School, and [the Guarantor] that there be full and complete compliance with the Rule, this Disclosure Agreement shall be construed in accordance with the written guidance and no action letters published from time to time by the Securities and Exchange Commission and its staff with respect to the Rule.

Section 13. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of New York.

Section 14. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

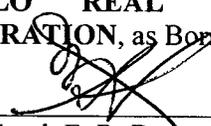
[School's Signature Page to the Continuing Disclosure Agreement]

EVERGREEN CHARTER SCHOOL,
as School

By: 
Name: Gil Bernardino
Title: President

[Borrower's Signature Page to the Continuing Disclosure Agreement]

CIRCULO REAL PROPERTY HOLDING CORPORATION, as Borrower

By:  _____

Name: Sarah E. R. Brewster

Title: Executive Director

[Guarantor's Signature Page to the Continuing Disclosure Agreement]

CIRCULO DE LA HISPANINAD, INC., as Guarantor

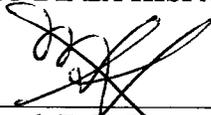
By: 
Name: Sarah E. R. Brewster
Title: Chief Director of Services and Operations

EXHIBIT A

**NOTICE TO REPOSITORIES OF FAILURE TO FILE
[QUARTERLY/ANNUAL] REPORT OR AUDITED FINANCIAL STATEMENTS**

Name of Authority: Town of Hempstead Local Development Corporation

Name of Bond Issue: \$2,470,000 Tax-Exempt and Taxable Revenue Refunding Bonds, Series 2019 (Circulo Real Property Holding Corporation / Evergreen Charter School Project) Series 2019A-1 (Tax-Exempt)

\$11,170,000 Tax-Exempt and Taxable Revenue Refunding Bonds, Series 2019 (Circulo Real Property Holding Corporation / Evergreen Charter School Project) Series 2019A-2 (Tax-Exempt)

and

\$900,000 Tax-Exempt and Taxable Revenue Refunding Bonds, Series 2019 (Circulo Real Property Holding Corporation / Evergreen Charter School Project) Series 2019B (Taxable)

Name of Obligated Persons: Borrower: Circulo Real Property Holding Corporation, a New York Nonprofit Corporation

School: Evergreen Charter School, a New York Nonprofit Corporation

Guarantor: Circulo De La Hispanidad, a New York Nonprofit Corporation

Date of Issuance: August 8, 2019

NOTICE IS HEREBY GIVEN that Circulo Real Property Holding Corporation, a New York not-for-profit corporation (the "Borrower") or Evergreen Charter School, a New York not-for-profit corporation (the "School"), has not provided an [Quarterly/Annual] Report or and Circulo de la Hispanidad, Inc., a New York not-for-profit corporation (the "Guarantor") has not provided Audited Financial Statements with respect to the above-named Bonds as required by the Loan Agreement, dated as of July __, 2019, between the Issuer and the Borrower. The Borrower and the School anticipates that the [Quarterly/Annual] Report will be filed by _____ and the Guarantor anticipates that the Audited Financial Statements will be filed by _____.

Dated: _____

CIRCULO REAL PROPERTY HOLDING CORPORATION, as Borrower

By: _____
Name:
Title:

EVERGREEN CHARTER SCHOOL,
as School

By: _____
Name:
Title:

CIRCULO DE LA HISPANINAD, INC.,
as Guarantor

By: _____
Name:
Title: