

DISAFFILIATION AGREEMENT

This Disaffiliation Agreement (this "Agreement") is by and between University System of New Hampshire, a New Hampshire body corporate and politic, created and operated pursuant to New Hampshire Revised Statutes Annotated, Section 187-A ("USNH") and New Hampshire Public Broadcasting, Inc., a New Hampshire voluntary corporation and recognized Section 501(c)(3) tax-exempt organization ("NHPB") (USNH and NHPB are collectively referred to as the "Parties").

WITNESSETH

WHEREAS, since the 1950's, the Board of Trustees of USNH or UNH has held the Federal Communications Commission licenses set forth in Schedule 2 of this Agreement (collectively, the "FCC Licenses") to the stations of the New Hampshire Public Television Network (the "NHPTV Network");

WHEREAS, USNH established NHPB as a duly organized and validly existing voluntary corporation under the laws of the State of New Hampshire and exempt from federal income tax pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") and public charity pursuant to Section 509(a)(1) of the Code, for the purpose of managing and operating the NHPTV Network and to support, promote and encourage public broadcasting within USNH and the State of New Hampshire;

WHEREAS, as part of the formation of NHPB, USNH has served as the sole member of NHPB with certain reserved powers to approve prior to implementation and adoption, certain acts of NHPB, making NHPB a subsidiary of USNH; and

WHEREAS, the Board of Trustees of USNH and the Board of Directors of NHPB have each determined that it would be in their respective best interests that NHPB be independent from USNH; and

WHEREAS, such determinations are based upon the desire of USNH and NHPB to do the following:

1. continue to provide for the needs of NHPB as a charitable and educational, tax-exempt organization, consistent with the historic purposes, mission and objectives of NHPB which are set forth in Schedule 1 of this Agreement and which shall not change as a result of the Disaffiliation (as defined in Article I of this Agreement); and
2. conduct a more transparent and independent operation of NHPB for purposes of enhancing communications with donors, improving fundraising and enabling more independent NHPB branding; and
3. provide a mechanism to transfer and maintain the FCC Licenses from USNH to NHPB; and

4. provide for the transfer of certain assets and liabilities to NHPB and to provide for a right of reverter in certain real property and related equipment to USNH if NHPB no longer requires the assets for its charitable and educational purposes; and

5. provide a mechanism for USNH to continue to provide certain services to NHPB, streamlining and reducing the costs of their operations and thereby permitting NHPB to devote a greater portion of its assets and income to its charitable and educational purposes; and

WHEREAS, to begin the process of disaffiliating NHPB from USNH, the Parties agreed to a Memorandum of Intent dated April 19, 2012 (the "MOI") in which the Parties set forth the preliminary terms of the Disaffiliation and as required by the MOI, this Agreement memorializes the Parties' final agreement on all detailed terms, conditions, documents and agreements necessary to accomplish and consummate the Disaffiliation.

NOW, THEREFORE, in consideration of the mutual agreements herein contained and in order to prescribe the terms and conditions of the Disaffiliation, the mode of carrying the same into effect, and the other details and provisions that are deemed necessary or proper, the parties hereto agree as follows:

ARTICLE I - DISAFFILIATION

1.1. Nature of the Disaffiliation. Upon the terms and conditions of this Agreement, as of the "Effective Date" (as defined in Section 1.3 of this Agreement) the USNH Board of Trustees shall approve, and the NHPB Board of Directors shall take the following steps and any other actions necessary to allow a corporate structure whereby USNH will no longer be the sole member of NHPB (the "Disaffiliation").

1.1.1. Amend and Restate the Articles of Agreement of NHPB. In accordance with New Hampshire law and NHPB's governing documents, NHPB shall cause NHPB's Articles of Agreement to be amended, executed and filed with the New Hampshire Secretary of State, to be effective as of the Effective Date, in substantially the form attached to this Agreement as Exhibit A.

1.1.2. Amend and Restate the Bylaws of NHPB. In accordance with New Hampshire law and NHPB's governing documents, NHPB shall cause NHPB's Bylaws to be amended and restated in substantially the form attached to this Agreement as Exhibit B, which shall remove USNH as the sole member of NHPB making NHPB independent of USNH.

1.2. Continued Existence and Effect. Except as specifically provided in this Agreement, the corporate existence of NHPB, with all of its purposes, powers, objects, and rights shall continue unaffected and unimpaired by the Disaffiliation.

1.3. Effective Date. The Disaffiliation shall become effective for all purposes including, but not limited to, corporate existence, tax and other purposes on the later of July 1, 2012 or the date that each of the conditions precedent to the Disaffiliation, as set forth in Article V of this Agreement have been satisfied (the "Effective Date").

1.4. No Capital Stock. NHPB does not have, and after the Effective Date NHPB will not have, any capital stock authorized, issued or outstanding.

1.5. Authorization. USNH and NHPB have the full corporate power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions have been duly approved by the NHPB Board of Directors and the USNH Board of Trustees and no other proceeding on the part of NHPB or USNH is necessary to approve and authorize the execution and delivery of this Agreement or the consummation of the Disaffiliation contemplated hereby.

ARTICLE II - TRANSFER OF ASSETS AND ASSUMPTION OF LIABILITIES

2.1. Rights and Liabilities. As of the Effective Date:

2.1.1. General. Pursuant to this Article II and the terms and conditions of transferability, assignment and use set forth in the Exhibits to this Agreement, NHPB shall continue to possess:

(a) all of the rights, privileges, immunities, powers, licenses, permits, approvals and franchises (both of a public as well as of a private nature) and all of the property (real, personal, and mixed);

(b) all debts due to NHPB on whatever account and all other choices in action and every other interest belonging to or due to NHPB shall be taken and deemed to be transferred and vested in NHPB;

(c) all claims, demands, property, rights, privileges, immunities, powers, franchises, and every other interest of NHPB shall continue to be the property of NHPB;

(d) all debts, liabilities, duties, and obligations of NHPB shall thenceforth attach to NHPB and may be enforced against it to the same extent as if such debts, liabilities, duties, and obligations had been incurred or contracted by NHPB, so that (i) any claim existing or action or proceeding pending by or against NHPB may be prosecuted as if the Disaffiliation had not taken place, (ii) NHPB may be substituted in place of USNH, and (iii) neither the rights of creditors nor any liens upon the property of NHPB shall be impaired by the Disaffiliation; and

(e) NHPB shall continue to possess, exercise and enjoy all of the rights, privileges, immunities and powers, and shall be subject to all duties and liabilities, of a New Hampshire voluntary corporation organized under the New Hampshire Revised Statutes Annotated, Section 292, Voluntary Corporations and Associations Act.

2.1.2. Specific Terms and Conditions of Transfer. The specific terms and conditions of the transfer of all assets and liabilities are as follows:

2.1.2.1. Transfer of FCC Licenses. The Parties shall apply to transfer the FCC Licenses as fully described in Schedule 2 of this Agreement from USNH to NHPB. In the event that the transfer of the FCC Licenses is not complete by the Effective Date, USNH shall continue to permit NHPB to operate under the FCC Licenses without compensation, so long as NHPB continues to actively pursue the license transfer and take all actions necessarily to complete the license transfer as soon as possible after the Effective Date. Upon the completed transfer of the FCC Licenses, NHPB shall be solely responsible for the maintenance of all licenses and approvals required by the FCC.

2.1.2.2. Termination of Memoranda of Understanding. Upon the Effective Date, the following Memoranda of Understanding shall be terminated by the execution of the applicable Termination of Agreements provided hereto at Exhibits C – F: Memorandum of Understanding by and between NHPB and USNH dated December 19, 2008 as further detailed and clarified by Memorandum of Understanding by and among NHPB, USNH and the University of New Hampshire's Energy and Campus Development dated March 13, 2009; Memorandum of Understanding by and between NHPB and USNH Re NHPB 403B Retirement Plan dated September 3, 2009; and NHPTV/UNH Memorandum of Understanding dated November 18, 2008.

2.1.2.3. Transfer of Equipment and Personal Property. USNH shall assign and transfer to NHPB pursuant to the Assignment of Assets substantially in the form of Exhibit G, the assets listed in Schedule 3.

2.1.2.4. Transfer of Rights to Use Towers and Tower-related Equipment. NHPB shall continue to have the rights to access, possess, operate and use the communication towers listed in Schedule 4, including all tower-related equipment, included in Schedule 3, pursuant to the execution, transfer and filing with the applicable registry of deeds of a certain Quitclaim Deeds subject to a right of reverter held by USNH, conditioned upon NHPB's use of the towers and tower-related equipment for its management and operation of NHPB and the NHPTV Network as set forth substantially in the form of Exhibit H(a) – (e).

2.1.2.5. Real Property Associated with Deerfield Tower. NHPB shall be granted an easement from USNH on such real property associated with the Deerfield broadcast tower and transmitters as described in Schedule 5, which shall permit NHPB to use the Deerfield broadcast tower and transmitters for public broadcasting pursuant to the easement substantially in the form of Exhibit I(a) – (b).

2.1.2.6. Broadcast Center Building. NHPB shall own and have the rights to access, possess, operate, use and occupy the broadcast center building as described in Schedule 6, for the management and operation of NHPB and the NHPTV Network, pursuant to the execution, transfer and filing with the Stafford County Registry of Deeds of a certain Quitclaim Deed subject to a right of reverter held by USNH, conditioned upon NHPB's use of the Broadcast Center Building for its management and operation of NHPB and the NHPTV Network as set forth substantially in the form of Exhibit J. The land for which the Broadcast

Center Building shall remain the property of USNH, however, a Ground Lease Agreement substantially in the form of Exhibit K(a) – (b) shall grant NHPB the right to use the land.

2.1.2.7. Endowment and Restricted Gifts. NHPB shall have ownership, custody, and control of all endowment funds, investments, cash, and other gifts restricted (both donor restricted and board designated) for the benefit of NHPB which are listed in Schedule 7 to this Agreement.

2.1.2.8. Intellectual Property. NHPB shall continue to own all of its patented or copyrighted materials or registered trade names and trademarks which are listed in Schedule 8 to this Agreement.

2.1.2.9. Note Payable to USNH. As of the Effective Date, NHPB owes USNH \$350,000 which is due to be paid in full on or before May 31, 2014, or prior to the consummation of a merger, acquisition, or consolidation of NHPB. Interest is accruing monthly on an annual interest rate of 3.5% and secured by the “building and furniture, fixtures and equipment of NHPB”. NHPB hereby acknowledges its obligation to repay this amount and as of the Effective Date, shall do so pursuant to the terms and conditions of the Term Note substantially in the form of Exhibit L, a Mortgage and Security Agreement substantially in the form of Exhibit M and a UCC-1 Financing Statement substantially in the form of Exhibit N.

2.1.2.10. Negative Pledge Agreement. Upon the Effective Date of the Disaffiliation and pursuant to the terms and conditions of a certain Negative Pledge Agreement substantially in the form of Exhibit O, NHPB may pledge as security for financing up to a maximum total amount of \$500,000, exclusive of amounts owed described in Section 2.1.2.9 to USNH and pursuant to the Term Note and the Mortgage and Security Agreement set forth in Exhibits L and M, its rights to the broadcast center building and the real estate related to the towers being transferred in accordance with this Agreement. Any pledge of such property greater than \$500,000 in pledged security (exclusive of amounts owed to USNH pursuant to the Term Note and the Mortgage and Security Agreement) shall be prohibited without the express prior written consent of USNH. The restrictions in this Section 2.1.2.10 and the Negative Pledge Agreement shall not apply to other NHPB assets or assets acquired after the Effective Date.

2.2. Further Assurances. As and when requested by the Parties, or by their successors or assigns, the Parties will execute and deliver, or cause to be executed and delivered, all such deeds and instruments and will take or cause to be taken all such further action as the Parties may mutually deem necessary or desirable in order to vest in and confirm that title to and possession of any property described herein and otherwise to carry out the intent and purposes of this Agreement. In connection therewith, the officers, directors and trustees of the Parties are fully authorized to take any and all such action.

2.3. Accounting Treatment. The assets and liabilities of NHPB shall be transferred to the accounting records of NHPB in accordance with generally accepted accounting principles consistently applied ("GAAP"). Nothing herein shall prevent the Board of Directors of NHPB

from making any future changes in its accounts if and to the extent required or permitted by applicable law.

ARTICLE III - COVENANTS

3.1 Continuance of Mission. From and after the Effective Date, NHPB shall cause its mission and educational purposes to be continued in accordance with its Articles of Agreement, as amended and restated, Bylaws, as amended and restated, and applicable law.

3.2 Cooperation to Effect the Disaffiliation. The Parties shall use their commercially reasonable efforts to promptly take all reasonable actions (i) necessary or appropriate to effectuate the Disaffiliation contemplated hereby, and (ii) to comply with all legal requirements, including requirements pursuant to Section 501(c)(3) of the Code, that may be imposed on it with respect to the Disaffiliation and to cooperate promptly with and furnish information (to the extent reasonably available) to each other in connection with any such legal requirements.

3.3 Conduct of Business. From the date hereof until the Effective Date, the Parties shall conduct its businesses and relationship in accordance with past practice and in the ordinary course of business. The Parties shall not enter into any transaction or perform any act which would constitute a breach of its representations, warranties, covenants and agreements contained herein. The Parties shall notify each other promptly of any event or circumstance which is reasonably likely to have a material adverse effect on its business. Nothing in this paragraph shall affect the negotiations or operational changes contemplated by the possible contractual relationship between NHPB and WGBH.

3.4 Approvals. The Parties hereto shall cooperate with each other and use their commercially reasonable efforts to promptly prepare and file all necessary documentation, to effect all applications, notices, petitions and filings, to obtain as promptly as practicable all permits, registrations, licenses, consents, exemptions, orders, approvals and authorizations of all third parties, including to the extent necessary, and governmental agencies which are necessary or advisable to consummate the Disaffiliation.

3.5 Public Disclosure. Prior to the closing of the Disaffiliation, the Parties to this Agreement shall not make nor cause to be made any press release or similar public announcement or communication in any form with respect to this Agreement or the transactions contemplated hereby, without providing the other party the opportunity to review and comment upon, and using commercially reasonable efforts to agree upon, any such press release or public announcement. Nothing in this Section 3.5 shall prohibit any party from making disclosure which its counsel deems necessary or advisable in order to satisfy such party's disclosure obligations imposed by law, including, but not limited to, the so-called New Hampshire "Right-to-Know Law", RSA 91-A.

3.6 Confidentiality. Except as otherwise provided in this Agreement and as may be required by the New Hampshire Right-to-Know Law, each party hereto shall not and shall cause their directors, trustees, officers, employees and affiliates not to, directly or indirectly, disclose, reveal, divulge or communicate to any person other than authorized officers, directors and

employees of the other party or use or otherwise exploit for its own benefit or for the benefit of anyone other than the other party, any Confidential Information (as defined below). If and to the extent disclosure of any Confidential Information is specifically required by applicable law or by governmental entities in connection with obtaining governmental approvals or in compliance with the New Hampshire Right-to-Know Law, the applicable party shall, to the extent reasonably possible, provide the other party with prompt notice of such requirement prior to making any disclosure so that the other party may seek an appropriate protective order. For purposes of this Section 3.6, "Confidential Information" means any information with respect to the Parties, as applicable, including methods of operation, donor lists, products, prices, fees, costs, technology, inventions, trade secrets, know-how, software, marketing methods, plans, personnel, suppliers, competitors, markets or other specialized information or proprietary matters. "Confidential Information" does not include, and there shall be no obligation hereunder with respect to, information that (i) is generally available to the public on the date of this Agreement or (ii) becomes generally available to the public other than as a result of a disclosure not otherwise permissible hereunder or required by New Hampshire law.

3.7 Employee Matters and Benefit Plans. NHPB agrees that it will be responsible to determine the employee welfare and benefit plans to be offered to employees of NHPB as of the Effective Date and to take such action prior to the Effective Date as may be necessary to effect such plans and to terminate existing plans which shall not be continued.

3.8 Restricted Funds, Grants and Endowments. Any reserves or endowment of NHPB that are restricted for a specific use will at all times be used according to such restrictions, as such may be changed from time to time, subject to the oversight of the Board of Directors of NHPB.

ARTICLE IV - CONDITIONS PRECEDENT

Consummation of the Disaffiliation is expressly conditioned on the satisfaction of the Parties having the Disaffiliation approved by the New Hampshire Director of Charitable Trusts and any third party approvals necessary pursuant to existing contracts and other agreements shall have been obtained.

ARTICLE V – SERVICES PROVIDED BY USNH

NHPB may continue to retain certain management and administrative services of USNH, the terms and conditions of such services shall be negotiated at arms-length and shall be provided in a manner that is consistent with the policies and procedures of USNH.

ARTICLE VI - MISCELLANEOUS PROVISIONS

6.1. Public Statements and Announcements. Neither Party will make any public statements, give any interviews or provide any press releases with respect to the matters set forth herein without the prior approval of the other, which approval will not be unreasonably withheld. Each Party will designate a spokesperson that will, in cooperation with the spokesperson for the

other Party, coordinate all such statements, press releases and contacts with the media and other third Parties.

6.2. Execution. The proper officers of the Parties shall make, execute, and file whatever certificates and documents are required by the laws of the State of New Hampshire and shall do all acts and things which may be in any way necessary or proper to effect this Agreement and the Disaffiliation.

6.3. Governing Law. This Agreement and the transactions contemplated hereby shall be governed, construed and interpreted by, and in accordance with, the laws of the State of New Hampshire or the United States of America as to FCC law and regulations. Any disputes related to this Agreement or in any way relating to the subject matter of this Agreement shall be resolved in New Hampshire state courts or federal courts in the District of New Hampshire of proper jurisdiction and venue. Each party hereto expressly agrees to submit to such jurisdiction and venue for the purposes of this Agreement.

6.4. Expenses. Each party shall pay its own expenses incurred by or on its behalf in connection with the authorization, preparation, execution and performance of this Agreement.

6.5. Amendments. No waiver or amendment of this Agreement or of any covenant, condition or limitation contained herein shall be valid unless in a writing of subsequent date hereto and duly executed by the parties hereto which specifically references this Section 6.5, and no evidence of any waiver or amendment shall be offered or received in evidence in any proceeding, arbitration or litigation between the parties hereto arising out of or affecting this Agreement, or the rights or obligations of the parties hereunder, unless such waiver or amendment is in writing and duly executed as aforesaid. The parties further agree that the provisions of this Section 6.5 may not be waived except as herein set forth.

6.6. Entire Agreement. This Agreement, including the preamble and recitals hereto and the exhibits and schedules attached hereto, constitute the entire agreement of the parties hereto, and replace all prior and contemporaneous agreements, promises, representations and understandings between the parties whatsoever, both oral and written, concerning the subject matter hereof. There are no other agreements, conditions or representations, oral or written, express or implied, which form the basis for this Agreement.

6.7. Severability. If any provision or any part of a provision of this Agreement shall be finally determined to be superseded, invalid, illegal, or otherwise unenforceable, such determination shall not impair or otherwise affect the validity, legality, or enforceability of the remaining provisions or parts of a provision of this Agreement, which shall remain in full force and effect as if the unenforceable provision or part were deleted.

6.8. Section Headings. The section headings contained in this Agreement are for convenience only, and shall in no manner be construed as part of this Agreement or affect the interpretation thereof.

6.9. Counterparts. This Agreement may be executed in any number of counterparts, and each counterpart shall be deemed to be an original instrument, but all such counterparts together shall constitute one (1) Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their officers duly authorized all as of the 24th day of MAY, 2012.

UNIVERSITY SYSTEM OF NEW
HAMPSHIRE ("USNH")

Nancy Berman
Witness

By: [Signature]
Kenneth B. Cody, its duly
authorized Vice Chancellor
and Treasurer

NEW HAMPSHIRE PUBLIC
BROADCASTING, INC. ("NHPB")

Nancy Berman
Witness

By: [Signature]
Peter A. Frid, its duly authorized
President and CEO

Schedule 1

The principal purpose of NHPB shall be to support, promote and encourage the position of public broadcasting within the State of New Hampshire and to facilitate its development through increased participation, leadership, financial support and oversight.

Schedule 2

USNH Board of Trustees Authorizations Associated with the NHPTV Network

<u>Call Sign</u>	<u>Location</u>	<u>FCC Facility ID</u>	<u>File Number</u>	<u>Expiration</u>
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Television Stations

WENH-TV	Durham	69237	BLEDT-20090817ABS	4/1/15
WEKW-TV	Keene	69271	BRET-20061129ADK	4/1/15
	Construction permit for modifications		BPEDT-20080620AAR	5/20/13
WLED-TV	Littleton	69328	BRET- 20061129ACR	4/1/15
	Construction permit for modifications		BPEDT-20080620AAJ	3/24/13

Earth Stations

E881037	Durham	---	SES-RWL-20090224-00213	2/24/24
E930140	Durham	---	SES-RWL-20030211-00150	3/2/18

Translators

W26CQ	Colebrook	130286		4/1/15
W27CP	White River Junction	127773		4/1/15
W34DQ-D	Pittsburg	69321		4/1/15
W50DP-D	Hanover	69322		4/1/15

TV Studio-Transmitter Links (All expire 4/1/15)

KCH71
KYL50
WPVU363
WPVU364

TV Intercity Relay Stations (All expire 4/1/15)

KYL52
KYL53
KYL54
WDB26
WFD449
WLI461
WLP731
WMG461
WMG462
WMU510
WPJE456

WPTP324
 WPVQ767
 WPVQ776
 WPVQ778
 WQOR256
 WQOR257
 WQOR258
 WQOR259
 WQOR260
 WQOR261

Call Sign	Location	FCC Facility ID	File Number	Expiration
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Business Radio Stations

WPET836	Durham	---	0001609811	4/28/14
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Public Safety Radio Stations

KJY633	Durham	---	0001727973	5/9/14
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Private Operational Fixed
Microwave Stations

WNEX789	Franconia	---	0003829975	8/4/19
WNEX791	Warner	---	0003829984	8/4/19
WNTC264	Concord	---	0004083886	4/4/20