MANAGEMENT AGREEMENT

This MANAGEMENT AGREEMENT (the "Agreement") is made as of April 28, 2006 between KQED, INC., a California non-profit public benefit corporation, and KTEH FOUNDATION ("KTEH"), a California non-profit public benefit corporation.

WHEREAS, KTEH is the licensee of noncommercial educational Stations KTEH(TV), San Jose, California, and KCAH(TV), Watsonville, California (the “Stations”); and

WHEREAS, KQED is the licensee of noncommercial educational Station KQED(TV), San Francisco, California and desires to provide a program service to the San Jose and Watsonville areas by providing programming to be broadcast on the Stations pursuant to the provisions of this Agreement and applicable regulations of the Federal Communications Commission (the "FCC"); and

WHEREAS, KQED desires to broadcast programming on the Stations while KTEH maintains control over the Stations’ finances, personnel, and programming, as well as continuing to maintain the right to broadcast KTEH's own public interest programming on the Stations as set forth below; and

WHEREAS, KTEH and KQED have this date entered into an Asset Purchase Agreement providing for the sale of the assets used in the operation of the Stations and the assignment of the Stations’ licenses from KTEH to KQED, NOW, THEREFORE, in consideration of the mutual promises, undertakings, covenants, and agreements of the parties contained in this Agreement and intending to be legally bound, the parties hereto do hereby agree as follows:

ARTICLE I

PROGRAMMING

1.1 KQED Programming. KQED shall provide and KTEH shall broadcast on the Stations, including the Stations' authorized digital television facilities, and at the option of KQED, the Stations' subcarriers, vertical blanking interval, and any additional authorizations or spectrum allocated to the Stations in the future, a full schedule of noncommercial educational programming (hereinafter "KQED Programming"). The KQED Programming shall be programming selected to serve the public interest and shall be of the same general high quality as the programming that KQED broadcasts on Station KQED(TV). KQED shall assume and perform all agreements to which KTEH is a party on the Commencement Date providing for the acquisition and broadcast of programs on the Stations. KQED shall comply with all FCC regulations and policies and other applicable laws in the provision of KQED Programming and, in consultation with KTEH, said programming shall serve the ascertained needs and interests of the Stations' communities of license; provided, however, that such efforts by KQED shall not displace the responsibility of KTEH to ensure that the overall programming of the Stations responds to issues of concern to the communities of license. KQED shall be responsible for obtaining underwriting, grants, and contributions to support the operation of the Stations and the acquisition, production, and broadcast of the KQED Programming.

1.2 KTEH Programming. KTEH will retain responsibility for ascertainment of the needs of the communities of license and service areas. The parties will assure that the KQED Programming will include programming that responds to these ascertained needs. KTEH shall have the right and obligation to broadcast such additional programming, either produced or purchased by KTEH, as it determines appropriate to respond to the ascertained issues of community concern and to delete or preempt in its sole discretion any KQED Programming for the purpose of transmitting such programming (hereinafter "KTEH Programming"). KTEH shall endevour to provide KQED as much advanced notice as is feasible of its intention to so delete or preempt. KQED agrees to comply with all FCC regulations and policies and other applicable laws in the provision of the KQED Programming.

1.3 Preemption. In addition to the above right of KTEH to delete or preempt KQED Programming in order to broadcast KTEH Programming responsive to issues of concern to the community of license, KTEH maintains the independent right to preempt or delete any KQED Programming that KTEH believes to violate FCC regulations, policies or other applicable law, provided, however, that KTEH shall give KQED such advanced notice as may be feasible describing the manner in which any such KQED Programming violates any FCC regulations, policies or other applicable law and a reasonable opportunity to modify or alter the KQED Programming to avoid any such violations.

ARTICLE II

OPERATIONS

2.1 Compliance with FCC Regulations. KTEH hereby certifies that it maintains ultimate control over the Stations' facilities, including specifically control over the Station's finances, personnel and programming. KTEH will retain responsibility for and employ such personnel as are necessary to assure compliance with all FCC regulations, including all technical regulations governing the operation of the Stations, all programming content requirements, and the preparation and filing of material required to be filed with the FCC.

2.2 Station Staffing. KTEH shall have sole discretion to make and effectuate its staffing and personnel decisions for the Stations, including the responsibility to fulfill KTEH's duties under Section 2.1 hereof (but at a level no than may be required by the rules and policies of the FCC, which the parties understand requires one management and one staff level employee). In order to minimize the costs and expense of operation during the term of the LMA, KTEH shall consult with KQED concerning the appropriate staffing levels for the Stations and the use of KQED employees on a delegated basis to the maximum extent possible consistent with FCC requirements..

2.3 Station Maintenance. KTEH shall retain operational responsibility for the Stations' maintenance and shall retain full responsibility for ensuring compliance with all FCC technical rules.

ARTICLE III

OPERATING EXPENSES

3.1 . During the term of this Agreement, KTEH shall assume all of the normal and reasonable expenses of operating the Stations.

ARTICLE IV

TERM

4.1 Term. Subject to the provisions for early termination contained herein, the term of this Agreement shall commence on the date the Asset Purchase Agreement between KQED and KTEH is executed (the "Commencement Date") and shall expire upon closing on the assignment of the Stations' licenses to KQED pursuant to the Asset Purchase Agreement or at 12:00 a.m. on the date 30 days following the termination of that Asset Purchase Agreement.

4.2 Termination by KTEH. KTEH may terminate this Agreement upon the failure of KQED, after notice and a 15-day cure period, to comply in a substantial and material manner in the provision of programming to the Stations within the rules, regulations, and policies of the FCC. In that case, KTEH shall be relieved of all obligations to KQED under this Agreement.

4.3 Termination by KQED for Refusal to Transmit Programs. In the event that KTEH fails to perform under this Agreement for either 24 consecutive hours or one-half hour in each day in any period of 5 consecutive days, KQED shall have the right, exercisable at any time within 30 days after the end of such period, to terminate this Agreement as of any date not less than 30 days after the date KQED notifies KTEH of its election to terminate this Agreement.

4.4 Termination for Default and Non-Performance. Other than as is provided in Sections 4.2 and 4.3, should either party be in breach of this Agreement for the non-performance of a material obligation, this Agreement may be terminated by the non-defaulting party if such breach shall continue for a period of 15 days following the receipt of written notice from the non-defaulting party, which notice shall indicate the nature of such default. If either party is found to have failed to perform a material obligation under this Agreement, reasonable attorneys' fees and expenses incurred or paid by the non-defaulting party in connection with or as a result of the exercise or enforcement of its rights may be awarded.

4.5 Assignability. This Agreement shall inure to the benefit of and be binding upon KTEH, KQED, and their respective successors. It may not be assigned by KTEH and may not be assigned by KQED other than to a commonly controlled company.

ARTICLE V

REGULATORY MATTERS

5.1 Renegotiation Upon FCC Action. If at any time during the term of this Agreement the FCC issues a statement of general applicability that would preclude performance hereunder, or the FCC determines that this Agreement is inconsistent with KTEH's licensee obligations or is otherwise contrary to FCC policies, rules, or statutes, the parties shall renegotiate this Agreement in good faith and recast this Agreement in terms that are likely to cure the defects perceived by the FCC and return a balance of benefits to both parties comparable to the balance of benefits provided by this Agreement on its current terms. If, after such good faith negotiations, either party reasonably determines that recasting this Agreement to meet the defects perceived by the FCC is impossible, either party may terminate this Agreement without further liability upon 30 days' prior written notice (or such shorter time as the FCC may order) provided that FCC consent for a wind-down period of such length is obtained. If termination shall occur pursuant to this Section, such termination shall extinguish and cancel this Agreement without further liability on the part of either party to the other.

5.2 FCC Approvals. Each party independently has determined in good faith that this Agreement can be entered into and implemented without filing any application, petition, request for declaratory ruling, or other filing with the FCC seeking its consent or approval.

ARTICLE VI

REPRESENTATIONS AND WARRANTIES, COVENANTS

6.1 KTEH's Representations and Warranties. KTEH represents and warrants to KQED as follows:

(a) Organization. KTEH is duly organized, validly existing and in good standing under the laws of the State of California. KTEH has the full power and authority necessary to carry out the transaction contemplated by this Agreement.

(b) Compliance with Law. Except as fully disclosed to KQED, KTEH has complied with and is now materially complying with all laws, rules, and regulations governing the business, ownership, and operations of the Stations that are material in any way to this Agreement. Except as otherwise stated herein, no consent, approval, or authorization by or filing with any governmental authorities on the part of KTEH is required in connection with the transactions contemplated in this Agreement. All attendant contracts and undertakings, as well as the carrying out of this Agreement, will not result in any violation of or be in conflict with KTEH's Certificate of Incorporation or its By-laws, or any existing judgment, decree, order, statute, law, rule, or regulation of any governmental authority applicable to KTEH.

(c) Authority. All requisite corporate resolutions and other authorizations necessary for the execution, delivery, performance, and satisfaction of this Agreement by KTEH have been duly adopted and complied with, have not been modified, and are in full force and effect.

(d) Authorizations in Good Standing. KTEH currently is the holder of the authorizations related to the Stations, and, except as disclosed to KQED, KTEH holds each authorization in good standing. At the Commencement Date, KTEH's authorizations for the Stations shall be in full force and effect and unimpaired by any acts or omissions of KTEH, its employees or agents; and there shall be no complaint, condition, event, defect, or occurrence existing or, to the knowledge of KTEH, threatened against said authorizations that would materially threaten their retention or renewability.

(e) Maintaining Operations and Condition of Assets. KTEH will continue to operate the Stations in the regular course and use its best efforts to preserve the Stations' goodwill and relations with the community. KTEH will comply in all material respects with all laws affecting its operation and otherwise maintain the Stations' Assets in good operating condition.

6.2 KQED's Representations and Warranties. KQED represents and warrants to KTEH as follows:

(a) Organization. KQED is a corporation duly organized, validly existing and in good standing under the laws of the State of California and has full power and authority to own its property and to carry out all of the transactions contemplated by this Agreement.

(b) Compliance with Law. Except as otherwise stated herein, no consent, approval, or authorization by, or filing with, any governmental authorities on the part of KQED is required in connection with the transactions contemplated herein. The carrying out of this Agreement will not result in any violation of or be in conflict with KQED's Articles of Incorporation or By-laws or any existing judgment, decree, order, statute, law, rule, or regulation of any governmental authority applicable to KQED.

(c) Corporate Authority. All requisite corporate resolutions and other authorizations necessary for the execution, delivery, performance, and satisfaction of this Agreement by KQED have been duly adopted and complied with.

6.3 KTEH's Affirmative Covenant. KTEH covenants that it will comply in all material respects with all applicable federal, state and local laws, rules and regulations (including, without limitation, all FCC rules, policies, and regulations) and pertinent provisions of all contracts to which it is a party or is otherwise bound that relate to this Agreement.

6.4 KQED's Affirmative Covenant. KQED covenants that it will comply with all applicable federal, state, and local laws, rules and regulations (including, without limitation, all FCC rules, policies, and regulations) and pertinent provisions of all contracts to which it is a party or is otherwise bound that relate to this Agreement.

6.5 Compliance with Copyright Act and Program Licensing Agreements. KQED represents and warrants that all KQED Programming provided to KTEH for broadcast on the Stations will comply with the Copyright Act and the rights of any person under the Copyright Act. KQED shall assume and pay all copyright liability that may occur as a result of the broadcast of KQED Programming on the Stations. KQED further represents and warrants that it has or will enter binding agreements with all program sources that authorize the broadcast of the KQED Programming on the Stations. KQED shall assume liability to program suppliers for broadcast of the KQED Programming on the Stations.

ARTICLE VII

MISCELLANEOUS

7.1 Force Majeure. Notwithstanding anything contained in this Agreement to the contrary, neither party shall be liable to the other for failure to perform any obligation under this Agreement (nor shall any charges or payments be made in respect thereof) if prevented from doing so by reason of fires, strikes, labor unrest, embargoes, civil commotion, rationing or other orders or requirements, acts of civil or military authorities, acts of God or other contingencies, including equipment failures, and all requirements as to notice and other performance required hereunder within a specified period shall be automatically extended to accommodate the period of such contingency which shall interfere with such performance.

7.2 Notice. All necessary notices, demands and requests required or permitted to be given under the provisions of this Agreement shall be deemed duly given if and when delivered personally or sent by prepaid overnight courier or by certified or registered mail, return receipt requested, postage prepaid addressed as follows:

If to KTEH:

Mr. Tom Fanella
Station KTEH-TV
1585 Schallenberger Road
San Jose, California 95131-2434
Telephone: 408-795-5400
Facsimile: 408-995- 5446

With a copy (not constituting notice) to:

Lawrence M. Miller, Esq.
Schwartz, Woods & Miller
1233 20th Street, N.W., Suite 610
Washington, D.C. 20036-7322
Telephone: 202-833-1700
Facsimile: 202-833-2351

If to KQED:

Margaret Berry, Esq.
General Counsel & Corporate Secretary
KQED, Inc.
2601 Mariposa Street
San Francisco, California 94110-1400
Telephone: (415) 553-2205
Facsimile: (415) 553-2895

With a copy (not constituting notice) to:

Theodore D. Frank, Esq.
Arnold & Porter LLP
555 12th Street, NW
Washington, DC 20004
Telephone: (202) 942-5790
Facsimile: (202) 942-5999

or such other addresses as the parties may from time to time designate. Notice is deemed given and received the day of actual delivery. The parties are encouraged to send advance copies of notices by facsimile, but facsimile copies shall not constitute effective notice.

7.3 Severability. If any provision of this Agreement is held to be invalid, illegal or unenforceable, the validity, legality, and enforceability of the remainder of this Agreement shall not be affected thereby, and the parties agree to use their best efforts to negotiate a replacement provision that is valid, legal, and enforceable and that will preserve the relative positions of the parties.

7.4 Amendment of Agreement. This Agreement supersedes all prior agreements and understandings of the parties, oral and written, with respect to its subject matter. This Agreement may be modified only by an agreement in writing executed by both of the parties hereto.

7.5 Payment of Expenses. KTEH and KQED shall each pay their own expenses incident to the preparation and carrying out of this Agreement, including but not limited to legal fees.

7.6 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, and both of which together shall constitute one and the same instrument.

7.7 Headings. The headings in this Agreement are for the sole purpose of convenience of reference and shall not in any way limit or affect the meaning or interpretation of any of the terms or provisions of this Agreement.

7.8 Dealings with Third Parties. Neither party is nor shall hold itself out to be vested with any power or right to bind contractually or act on behalf of the other as its contracting broker, agent, or otherwise for committing, selling, conveying or transferring any of the other party's assets or property, contracting for or in the name of the other party, or making any representations contractually binding such party.

7.9 Indemnification.

(a) In the event of claims, demands, causes of action, loss, investigations, proceedings, damages, penalties, fines, expenses, or judgments, including reasonable attorneys' fees and costs, arising directly or indirectly out of the negligence or willful misconduct of the other party, its agents or employees in connection with the performance of this Agreement, or arising out of or resulting from any inaccuracy, misrepresentation, or breach of any representation, warranty, or covenant contained herein, each party shall forever, to the fullest extent permitted by law, protect, save, defend, and keep the other party harmless and indemnify said other party. The indemnified party agrees not to settle any such claims without the consent of the indemnifying party, which consent shall not be unreasonably withheld.

(b) KQED shall indemnify KTEH and hold KTEH and its officers, directors, and employees harmless against any FCC-issued fines or forfeitures arising from or relating to any KQED Programming broadcast on the Stations. KTEH agrees to contest any such fines or forfeitures, at KQED's expense, in proceedings at the FCC or in any court to the extent desired by KQED provided that KTEH in its good faith judgment determines that there are contestable issues. KQED further agrees to indemnify KTEH against any petitions to deny, petitions for revocation, petitions for orders to show cause, or other challenges brought by parties unrelated to and unaffiliated with KTEH to the extent that such challenges rely upon KQED Programming. KQEH further agrees to vigorously support KTEH, including the filing of FCC pleadings in support of KTEH, in the event that any petitions to deny, petitions for revocation, petitions for orders to show cause, or other challenges are brought by parties unrelated to and unaffiliated with KQED to the extent that such challenges concern the existence or operation of this Agreement.

(c) KQED shall forever, to the fullest extent permitted by law, protect, save, defend, and keep KTEH and its officers, directors, employees, and agents and each of them harmless and indemnify them from and against all loss, damage, liability, or expense, including reasonable attorney's fees, resulting from any claim of libel, slander, defamation, copyright infringement, idea misappropriation, invasion of right of privacy or publicity, or any other claim against KTEH arising out of KQED's performance of its obligations under this Agreement, provided that KTEH gives KQED prompt notice of any claim and cooperates in good faith with KQED in defending against any such claims, including attempts to resolve and settle any such claims. KTEH agrees not to settle any such claims without the consent of KQED, which consent shall not be unreasonably withheld.

(d) KTEH shall indemnify KQED and hold KQED and its officers, directors, and employees harmless against any FCC-issued fines or forfeitures arising from or relating to the technical operation of the Stations or any KTEH Programming broadcast on the Stations or any personal injury claims (including death) arising out of KTEH’s performance of its obligations under this Agreement provided that KQED gives KTEH prompt notice of any claim and cooperates in good faith with KTEH in defending against any such claims, including attempts to resolve and settle any such claims. KQED agrees not to settle any such claims without the consent of KTEH, which consent shall not be unreasonably withheld.

7.10 Governing Law. This Agreement shall be construed under and in accordance with the laws of the State of California.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above written.

KTEH-TV FOUNDATION

By: ______________________
John M. Sobrato

Title: Chair, Board of Directors

KQED, INC.

By: ______________________
Nicholas Donatiello, Jr.

Title: Chair, Board of Directors