

Exhibit 7

Attached hereto as Attachment 1 is an executed copy of the Agreement and Plan of Merger by and between KCETLink and KOCE-TV Foundation (the “Merger Agreement”). The question to which this exhibit responds was answered in the negative because schedules and exhibits to the Merger Agreement, and the identity of a foundation referenced in Section 6.1(h) of the Merger Agreement, contain proprietary information not germane to the Commission’s consideration of this application. *See LUJ, Inc.*, Memorandum Opinion and Order, 17 FCC Rcd. 16980 (2002). Excluded exhibits will be provided to the Commission upon request. The excluded exhibits are as follows:

Exhibit A	Merger Agreement – Short-Form (for obtaining approval of the merger by California)
Exhibit B	Combined Company Articles of Incorporation (Draft)
Exhibit C	Combined Company Bylaws (Draft)*
Exhibit D	Combined Company Board of Directors **
Exhibit E	Certain Designated Officers
Exhibit F	Management Organization Chart
Exhibit G	Integration Plan
Exhibit H	PBS Dues Agreement
Exhibit I	PBS Statement re Content Production
Exhibit J	Correspondence to CPB

* Copies of the Articles of Incorporation and Bylaws will be filed after adoption, pursuant to Section 73.3613 of the Commission’s Rules.

** Duplicates information contained in Exhibit 6.

AGREEMENT AND PLAN OF MERGER

by and between

KCETLINK

and

KOCE-TV FOUNDATION

Dated: April 25, 2018

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List of Exhibits

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AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER (this “**Agreement**”) is entered into as of April 25, 2018, by and between **KCETLink** (“**KCET**”), a California nonprofit corporation, and **KOCE-TV Foundation** (“**KOCE**”), a California nonprofit corporation (KCET and KOCE, together, the “**Parties**”).

RECITALS:

WHEREAS, KOCE was created for nonprofit purposes as a California nonprofit corporation and has qualified as a corporation exempt from federal income taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986 (as amended, the “**IRC**”); and

WHEREAS, KOCE is the FCC licensee and operator of the non-commercial television station KOCE Huntington Beach, California (the “**KOCE Station**”);

WHEREAS, KCET was created for nonprofit purposes as a California nonprofit corporation and has qualified as a corporation exempt from federal income taxation pursuant to Section 501(c)(3) of the IRC;

WHEREAS, KCET is the FCC licensee and operator of the non-commercial television station KCET, Los Angeles, California (the “**KCET Station**”);

WHEREAS, through a combination of their organizations, KOCE and KCET intend to create a vibrant public media organization that informs, educates and enlightens by delivering across multiple platforms content it creates and curates from around the world;

WHEREAS, KOCE and KCET’s respective senior management and boards have identified several benefits of such a combination, including the following:

- The combination of our respective staffs’ complementary strengths should produce a high performance human resource platform consistent with our goal.
- Collaboration on fundraising and service to viewership enhances the opportunity to present a unified message to our Southern California and national viewer and donor community.
- Two stations under unified management provide the flexibility and bandwidth to select the best programming available for our legacy viewers, cross-market each station, and serve communities that have been under-served by public broadcasting.
- Redefining and enhancing a relationship with the Public Broadcasting System, not only as an important distributor of PBS programming, but with PBS’ support to become a significant creator of content for distribution throughout the PBS system.
- An increased ability to achieve long-term financial sustainability and continuing support from the Corporation for Public Broadcasting.

- The creation of positive momentum that should help in recruiting and retaining key talent, board members, major donors, and foundations.
- The unified company should be more attractive for alliances with complementary platforms, such as public radio, online and mobile entities.
- The combined proceeds from the sale of excess bandwidth, the unique ability to reduce debt, eliminate excess facilities and equipment, eliminate identified redundancies, and invest in revenue generating infrastructure for membership, major donors, foundations and production revenues;

WHEREAS, upon the consummation of the transactions contemplated herein, a new combined organization will result, which simultaneously shall change its name to Public Media Group of Southern California and adopt amended and restated articles of incorporation and bylaws reflecting the restructured, combined organization;

WHEREAS, the Parties acknowledge that subject to the prior consent of the FCC, the Combined Company shall obtain by operation of law the ownership and control of all licenses, permits, rights and other authorizations issued by the FCC ("**FCC Licenses**") in connection with the operation of the KOCE Station; and

WHEREAS, the boards of directors of KOCE and KCET have determined it to be in the best interests of their respective organization to undertake the transactions contemplated herein upon the terms and conditions set forth in this Agreement, all pursuant to the applicable provisions of the California Nonprofit Corporation Law (the "**CNCL**") set forth in the California Corporations Code.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the Parties hereby agree as follows:

ARTICLE I

DEFINITIONS

1.1 Definitions.

"**Agreement**" shall have the meaning set forth in the preamble of the Agreement.

"**Approval Action**" shall have the meaning set forth in Section 5.3(g) of the Agreement.

"**Benefit Plan**" shall mean either a KOCE Plan or a KCET Plan, as appropriate.

"**Bonus Payment Date**" shall have the meaning set forth in Section 5.6(d) of the Agreement.

"**CAB**" shall have the meaning set forth in Section 2.6(c) of the Agreement.

“CEO Employment Agreement” shall mean the new employment agreement by and between KOCE and Andrew Russell, entered into pursuant to the direction of the Parties and concurrently with the execution of this Agreement, with a springing effective date as of the Closing, for a three year term as President and Chief Executive Officer of the Combined Company pursuant to the terms and conditions set forth therein.

“Closing” shall mean the consummation of the Merger at the Effective Time on the Closing Date.

“Closing Date” shall have the meaning set forth in Section 2.4 of the Agreement.

“CNCL” shall have the meaning set forth in the Recitals of the Agreement.

“Collective Bargaining Agreement” shall have the meaning set forth in Section 3.20 of the Agreement.

“Combined Company” shall have the meaning set forth in Section 2.1 of the Agreement.

“Combined Company Articles” shall have the meaning set forth in Section 2.5 of the Agreement.

“Combined Company Board” shall have the meaning set forth in Section 2.6(a) of the Agreement.

“Combined Company Bylaws” shall have the meaning set forth in Section 2.5 of the Agreement.

“Communications Act” shall have the meaning set forth in Section 3.6 of this Agreement.

“Competing Proposal” shall mean any intention, plan or proposal, whether written or oral, contemplating any of the following: (i) any merger, consolidation, business combination or other similar transaction (other than the transactions contemplated by this Agreement); (ii) any sale, lease, exchange, mortgage, pledge, transfer, or other disposition of 25% or more of the assets of any Party in a single transaction or a series of related transactions; or (iii) any public announcement of a proposal, plan or intention to do any of the foregoing.

“Confidentiality Agreement” shall mean the mutual Confidentiality and Non-Disclosure Agreement entered into by and between KOCE and KCET effective as of December 21, 2017.

“Continuation Period” shall have the meaning set forth in Section 5.6(a) of the Agreement.

“Continuing Employees” shall have the meaning set forth in Section 5.6(a) of the Agreement.

“Contract” means any contract, agreement, lease, deed, mortgage, license, instrument, note, bond, commitment, undertaking, indenture, joint venture and all other agreements,

commitments and legally binding arrangements, whether written or oral, and all amendments and modifications thereto.

“CPB” shall have the meaning set forth in Section 3.11 of the Agreement.

“Effective Time” shall have the meaning set forth in Section 2.2 of the Agreement.

“Employee Plan” shall have the meaning set forth in Section 3.19(a) of the Agreement.

“Encumbrance” means any charge, claim, community property interest, pledge, condition, equitable interest, lien (statutory or other), option, security interest, mortgage, easement, encroachment, right of way, right of first refusal or restriction of any kind, including any restriction on use, voting, transfer, receipt of income or exercise of any other attribute of ownership.

“Enforceability Exceptions” shall have the meaning set forth in Section 3.2 of the Agreement.

“Environmental Law” shall mean any Law concerning the environment, pollution, contamination, natural resources, or human health or safety relating to exposure to Hazardous Substances.

“Environmental Permits” shall mean any authorizations from a Governmental Authority required under the Environmental Laws.

“FCC” shall mean the Federal Communications Commission.

“FCC Applications” shall mean those applications and requests for waivers required to be filed with the FCC to obtain the approvals and waivers of the FCC pursuant to the Communications Act and FCC Rules necessary to consummate the transaction contemplated by this Agreement.

“FCC Consent” shall have the meaning set forth in Section 3.3 of the Agreement.

“FCC Licenses” shall have the meaning set forth in the Recitals of the Agreement.

“FCC Rules” shall have the meaning set forth in Section 3.6 of the Agreement.

“FCC Spectrum Auction” refers to the acquisition and repacking of television spectrum authorized by Sections 6402-6403 of the Middle Class Tax Relief and Job Creation Act of 2012, Pub. L. No. 112-96.

“GAAP” means generally accepted accounting principles in the United States.

“Governmental Authority” means the government of any nation or any political subdivision thereof, whether at the national, state, territorial, provincial, or municipal level, or any court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of, or pertaining to, government.

“Hazardous Substance” shall mean any substance, material or waste listed, defined, regulated or classified as a “pollutant” or “contaminant” or words of similar meaning or effect, or for which liability or standards of conduct may be imposed under any Environmental Law.

“Initial End Date” shall have the meaning set forth in Section 7.1(b)(i) of the Agreement.

“Intellectual Property” means any and all intellectual property rights throughout the world, whether registered or not, including all (i) patents (including all reissues, divisionals, provisionals, continuations and continuations-in-part, re-examinations, renewals and extensions thereof) (collectively, **“Patents”**); (ii) copyrights and rights in copyrightable subject matter in published and unpublished works of authorship (collectively, **“Copyrights”**); (iii) trade names, trademarks and service marks, logos, corporate names, domain names and other internet addresses or identifiers, trade dress and similar rights, and all goodwill associated therewith (collectively, **“Marks”**); (iv) registrations and applications for each of the foregoing; (v) rights, title and interests in all trade secrets and trade secret rights arising under common law, state law, federal law or laws of foreign countries, in each case to the extent any of the foregoing derives economic value (actual or potential) from not being generally known to other Persons who can obtain economic value from its disclosure or use (collectively, **“Trade Secrets”**); and (vi) moral rights, publicity rights, and any other intellectual property rights or other rights similar, corresponding or equivalent to any of the foregoing of any kind or nature.

“IRC” shall have the meaning set forth in the Recitals of the Agreement.

“IRS” means the Internal Revenue Service.

“IT Systems” means the information technology system and any equipment or interconnected system or subsystem of equipment that is used in the creation, conversion, or duplication of data or information consisting of software and/or hardware, databases, networks, etc. as such system may be modified, replaced or augmented from time to time.

“KCET Disclosure Schedule” shall have the meaning set forth in the preamble to Article IV of the Agreement.

“KCET Financials” shall have the meaning set forth in Section 4.7 of the Agreement.

“KCET Material Contract” shall have the meaning set forth in Section 4.21(a)(xv)(a) of the Agreement.

“KCET Plan” shall have the meaning set forth in Section 4.19(a) of the Agreement.

“KCET Station” shall have the meaning set forth in the Recitals of the Agreement.

“KCET 2018 Cash Flow Projections” shall have the meaning set forth in Section 4.7 of the Agreement.

“KCET 2019 Cash Flow Projections” shall have the meaning set forth in Section 4.7 of the Agreement.

“Knowledge” or **“to the Knowledge”** of a designated Party shall mean the actual knowledge of the then acting, (a) in the case of KOCE, (i) President and Chief Executive Officer, (ii) Chief Operating Officer and Vice President, Education and Community Engagement, and/or (iii) Chief Financial Officer, and (b) in the case of KCET, (i) Acting President and Chief Executive Officer, (ii) Senior Vice President, General Counsel Corporate and Legal Affairs, and/or (iii) Senior Vice President and Chief Financial Officer.

“KOCE Disclosure Schedule” shall have the meaning set forth in the preamble to Article III of the Agreement.

“KOCE Financials” shall have the meaning set forth in Section 3.7 of the Agreement.

“KOCE Material Contract” shall have the meaning set forth in Section 3.21(a) of the Agreement.

“KOCE Owned Real Property” shall have the meaning set forth in Section 3.14(a) of the Agreement.

“KOCE Plan” shall have the meaning set forth in Section 3.19(a) of the Agreement.

“KOCE Real Property Leases” shall have the meaning set forth in Section 3.14(a) of the Agreement.

“KOCE Station” shall have the meaning set forth in the Recitals of the Agreement.

“KOCE 2018 Cash Flow Projections” shall have the meaning set forth in Section 3.7 of the Agreement.

“KOCE 2019 Cash Flow Projections” shall have the meaning set forth in Section 3.7 of the Agreement.

“Law” means, as to any Person, any law (including common law), statute, ordinance, treaty, rule, regulation, policy or requirement of any Governmental Authority and authoritative interpretations thereon, whether now or hereafter in effect, in each case, applicable to or binding on such Person or any of its properties or to which such Person or any of its properties is subject.

“Liabilities” means any liability, indebtedness or obligation of any kind (whether accrued, absolute, contingent, fixed, matured, unmatured or otherwise, and whether or not required to be recorded or reflected on a balance sheet in accordance with GAAP.

“Lien” means, with respect to any property or asset, any mortgage, lien, pledge, charge, security interest, lease, encumbrance or other adverse claim of any kind in respect of such property or asset.

“Material Adverse Effect” means with respect to KCET or KOCE any change, condition, fact, development, occurrence or event that, individually or in the aggregate, has a material adverse effect on the financial condition, business, assets or results of operations of KCET or KOCE, excluding any effect, change, condition, fact, development, occurrence or event resulting from or

arising out of (i) general economic or political conditions in the United States or any foreign jurisdiction or in securities, credit or financial markets, including changes in interest rates and changes in exchange rates; (ii) changes or conditions generally affecting the industries, markets or geographical areas in which KCET or KOCE operates; (iii) outbreak or escalation of hostilities, acts of war (whether or not declared), terrorism or sabotage, or other changes in geopolitical conditions, including any material worsening of such conditions threatened or existing as of the date hereof; (iv) any epidemics, natural disasters (including hurricanes, tornadoes, floods or earthquakes) or other force majeure events; (v) any failure by KCET or KOCE to meet any internal or published (including analyst) projections, expectations, forecasts or predictions in respect of its respective revenue, earnings or other financial performance or results of operations, or any failure by KCET or KOCE to meet its internal budgets, plans or forecasts of its revenue, earnings or other financial performance or results of operations (provided that the underlying effect, change, condition, fact, development, occurrence or event giving rise to or contributing to such failure may be considered); (vi) changes in GAAP or the interpretation thereof or the adoption, implementation, promulgation, repeal, modification, amendment, reinterpretation, change or proposal of any Law applicable to the operation of the business of KCET or KOCE; (vii) the taking of any action by either KCET or KOCE expressly required by this Agreement, or KCET's or KOCE's failure to take any action expressly prohibited by this Agreement, or the taking of any action at the written request of the other party; and (viii) the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby, or the public announcement or pendency of this Agreement or the Merger, including any resulting loss or departure of officers or other employees of KCET or KOCE, or the termination or reduction (or potential reduction) or any other resulting negative development in KCET's or KOCE's relationships, contractual or otherwise, with any of its funding sources, sponsors, advertisers, suppliers, distributors, licensees, licensors, lenders, business partners, employees or regulators, including the FCC, provided that in the cases of clauses (i), (ii), (iii), (iv) and (vi), any effect, change, condition, fact, development, occurrence or event may be considered to the extent it disproportionately affects KCET or KOCE relative to the other participants in the industries in which it operates.

"Materially Burdensome Condition" shall have the meaning set forth in Section 5.3(i) of the Agreement.

"Merger" shall have the meaning set forth in Section 2.1 of the Agreement.

"Merger Agreement" shall have the meaning set forth in Section 2.2 of the Agreement.

"Merger Documents" means this Agreement and each exhibit, schedule, annex or other attachment to this Agreement, and each material agreement or other material document that is being delivered on or prior to the Closing Date pursuant to this Agreement, including but not limited to the CEO Employment Agreement.

"New Benefit Plans" shall have the meaning set forth in Section 5.6(c) of the Agreement.

"Owned Intellectual Property" shall mean any and all Intellectual Property owned or purported to be owned by a Party.

“Parties” shall have the meaning set forth in the Recitals of the Agreement.

“Party” shall mean either KOCE and its Subsidiaries, if any, or KCET and its Subsidiaries, if any, as appropriate in the context in which the word occurs.

“PBS” shall have the meaning set forth in Section 3.11 of the Agreement.

“Permitted Liens” means (i) Liens for Taxes, assessments, governmental levies, fees, or charges which are not yet due and payable or which are being contested in good faith and by appropriate Proceedings and, in each case, for which adequate reserves (as determined in accordance with GAAP) have been established on a Party’s balance sheet, as applicable; (ii) mechanics’, carriers’, workers’, repairers’ and similar statutory Liens arising or incurred in the ordinary course of business with respect to amounts which are not yet due and payable, or which are being contested in good faith and by appropriate proceedings, and for which adequate reserves (as determined in accordance with GAAP) have been established on a Party’s balance sheet, as applicable, and which would not be individually or in the aggregate materially adverse; (iii) zoning, entitlement, building codes, and other land use regulations, ordinances or legal requirements imposed by any Governmental Authority having jurisdiction over real property; (iv) all rights relating to the construction and maintenance in connection with any public utility of wires, poles, pipes, conduits and appurtenances thereto, on, under or above real property; (v) all matters disclosed as a “Permitted Lien” in a Party’s Disclosure Schedule, as applicable; (vi) any state of facts which an accurate survey or inspection of real property would disclose and which, individually or in the aggregate, do not materially impair the value or continued use of such real property for the purposes for which it is used by such Party; (vii) title exceptions disclosed by any title insurance commitment or title insurance policy for any such real property issued by a title company and delivered or otherwise made available to the Parties prior to the date hereof; (viii) statutory Liens in favor of lessors, arising in connection with any real property subject to the Real Property Leases; (ix) other defects, irregularities or imperfections of title, encroachments, easements, servitudes, permits, rights of way, flowage rights, restrictions, leases, licenses, covenants, sidetrack agreements, and oil, gas, mineral and mining reservations, rights, licenses and leases, which, in each case, do not materially impair the continued use of real property for the purposes for which it is used by such Party; (x) grants of non-exclusive licenses or other non-exclusive rights with respect to Intellectual Property that do not secure indebtedness; and (xi) Liens that, individually or in the aggregate, do not, and would not reasonably be expected to, materially detract from the value of any of the property, rights or assets of a Party, or materially interfere with the current use thereof by such Party.

“Person” means any individual, corporation, limited liability company, trust, joint venture, association, company, limited or general partnership, unincorporated organization, Governmental Authority, arbitral tribunal, or other entity.

“Proceeding” shall mean any suit, action, claim, proceeding, arbitration, mediation, audit, or hearing (in each case, whether civil, criminal or administrative) commenced, brought, conducted, or heard by or before, or otherwise involving, any Governmental Authority.

“Program Rights” shall mean the rights to broadcast and rebroadcast television programs, feature films, shows or other television programming.

“Representative(s)” shall have the meaning set forth in Section 5.2(a) of the Agreement.

“RTC” shall have the meaning set forth in Section 2.3 of the Agreement.

“Second End Date” shall have the meaning set forth in Section 7.1(b)(i) of the Agreement.

“Subsidiary” or **“Subsidiaries”** shall mean, with respect to any Party, any Person (other than a natural Person) whose securities, ownership, membership, or other interests (i) having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions, or (ii) representing more than 50% of such securities or ownership interests, are at the time directly or indirectly owned or controlled by such Person.

“Tax” means all federal, state, local, foreign and other income taxes, as well as any gross receipts, sales, use, production, ad valorem, transfer, franchise, registration, profits, license, lease, service, service use, withholding, payroll, employment, unemployment, estimated, excise, severance, environmental, stamp, occupation, premium, property (real or personal), real property gains, windfall profits, customs, duties or other taxes, fees, assessments or charges of any kind whatsoever.

“Termination Fee” shall have the meaning set forth in Section 7.3(a) of the Agreement.

“Willful Breach” shall mean a deliberate act or a deliberate failure to act, taken or not taken with the actual knowledge that such act or failure to act would, or would reasonably be expected to, result in or constitute a material breach of this Agreement, regardless of whether breaching was the object of the act or failure to act.

1.2 Rules of Construction. The words “hereof,” “herein” and “hereunder,” and words of like import used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The descriptive headings used herein are inserted for convenience of reference only and are not intended to be part of or to affect the meaning or interpretation of this Agreement. References to Articles, Sections, Exhibits and Schedules are to Articles, Sections, Exhibits and Schedules of this Agreement, unless otherwise specified. All Exhibits and Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized terms used in any Exhibit or Schedule but not otherwise defined therein shall have the meaning as defined in this Agreement. Any singular term in this Agreement shall be deemed to include the plural, and any plural term, the singular. The definitions contained in this Agreement are applicable to the masculine as well as to the feminine and neuter genders of such term. Whenever the word “include,” “includes” or “including” is used in this Agreement, it shall be deemed to be followed by the words “without limitation,” whether or not the words are in fact followed by those words or words of like import. “Writing,” “written” and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form. References to any statute shall be deemed to refer to such statute and to any rules or regulations promulgated thereunder. References to any Contract are to that Contract as amended, modified or supplemented (including by waiver or consent) from time to time in accordance with the terms hereof and thereof. References to “the transactions contemplated by this Agreement” or words with a similar import shall be deemed to include the Merger and any transactions effected to implement or resulting

from the Merger. References to any Person include the successors and permitted assigns of that Person. References herein to “\$” or dollars shall refer to United States dollars, unless otherwise specified. References from or through any date mean, unless otherwise specified, from and including such date or through and including such date, respectively. References to any period of days shall be deemed to be to the relevant number of calendar days unless otherwise specified. The phrase “made available” with respect to documents shall be deemed to include any documents uploaded and available at least three (3) days prior to the Closing Date in the virtual data room maintained and filed with Hightail, Inc. When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded. If the last day of such period is not a business day, the period in question shall end on the next succeeding business day. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement.

ARTICLE II

THE MERGER; EFFECT; CLOSING DATE/EFFECTIVE TIME

2.1 The Merger. Upon the terms and subject to the satisfaction or waiver of the conditions set forth in Article VI, and in accordance with the CNCL, at the Effective Time, KOCE shall merge with and into KCET (the “**Merger**”), whereupon the separate corporate existence of KOCE shall cease and KCET, as renamed and restructured in accordance with Section 2.5, below, shall continue as the “surviving corporation” of the Merger within the meaning of section 5074 of the CNCL (hereinafter being referred to as the “**Combined Company**”).

2.2 Filing of Agreement of Merger. Subject to the provisions of this Agreement, as soon as practicable on the Closing Date, the Parties shall file, or cause to be filed, a short-form agreement of merger (“**Merger Agreement**”) in substantially the form of Exhibit A to this Agreement, together with any required related certificates, filings or recordings with the California Secretary of State, in such form as required by, and executed in accordance with, the relevant portions of the CNCL. The Merger shall become effective upon the filing of the Merger Agreement with the Secretary of State of the State of California (the “**Effective Time**”).

2.3 Effects of the Merger. The Merger shall have the effects set forth herein and in Sections 6020 through 6022 of the CNCL. Without limiting the generality of the foregoing and subject thereto, from and after the Effective Time all property, rights, privileges, immunities, powers, franchises, licenses and authority of KOCE shall vest in the Combined Company, and all debts, liabilities, obligations, restrictions and duties of KOCE (including without limitation (i) all of KOCE’s obligations under that certain Settlement Agreement & Mutual General Release dated as of June 13, 2007, as amended on August 1, 2007, previously identified to KCET, and (ii) the CEO Employment Agreement), shall become the debts, liabilities, obligations, restrictions and duties of the Combined Company. The Combined Company shall continue its corporate existence as a California nonprofit public benefit corporation that is exempt from federal taxes pursuant to Section 501(c)(3) of the IRC and state taxes pursuant to Section 23701d of the California Revenue and Taxation Code (the “**RTC**”) and shall conduct its activities and its business consistent with the purposes stated in the “Combined Company Articles” and the “Combined Company Bylaws” (as

such terms are defined below) and pursuant to applicable state and federal Law. All new funds committed or received by the Combined Company beginning with the Effective Time, including, without limitation, funds directed to support of the Merger, or proceeds related to the sale or disposition of any assets, including any funds related to participation in the FCC Spectrum Auction, shall inure to the Combined Company.

2.4 Closing Date. Unless this Agreement is terminated in accordance with Section 7.1, the closing of the Merger (the “**Closing**”) shall occur as promptly as possible (but in no event later than the third business day) after all of the conditions set forth in Article VI shall have been satisfied or waived by the party entitled to the benefit of the same, or at such other time and on a date as agreed to by the Parties in writing (the “**Closing Date**”). The Closing shall take place at 10:00 a.m. Pacific Time at the offices of Manatt, Phelps & Phillips, LLP, 11355 W. Olympic Blvd., Los Angeles, California 90064.

2.5 Articles of Incorporation and Bylaws of Combined Company. At and as of the Effective Time, the articles of incorporation and bylaws of KCET, as the surviving corporation in the Merger, shall be amended by virtue of the Merger to be substantially in the form of articles of incorporation (“**Combined Company Articles**”) and in the form of bylaws (“**Combined Company Bylaws**”) as set forth in Exhibit B and Exhibit C hereto, as such may be amended by the Merger Agreement, until either is thereafter amended in accordance with applicable law. In furtherance of the foregoing and subject to the provisions of this Agreement, as soon as practicable on the Closing Date and simultaneously with the filing of the Merger Agreement, the Parties shall file, or cause to be filed, the Combined Company Articles, together with any required related certificates, filings or recordings with the California Secretary of State, in such form as required by, and executed in accordance with, the relevant portions of the CNCL.

2.6 Combined Company Board; Management; Community Advisory Board.

(a) Board of Directors. At and as of the Effective Time, the initial members of the Board of Directors of the Combined Company (the “**Combined Company Board**”) and its Executive Committee shall be those individuals appointed by each Party in the form attached as Exhibit D hereto (as such respective appointees may be adjusted by the Parties prior to Closing), each for the term of years specified therein. To the extent that, by the Effective Time, a Party appoints fewer directors than those allotted to it on Exhibit D, such vacant seats shall be filled by the majority vote of the directors appointed by such Party within two years of the Closing, after which such vacancies, and all other vacancies however arising subsequent to the Closing, shall be filled by the Combined Company Board in accordance with the Combined Company Bylaws.

(b) Management. At and as of the Effective Time, the positions Chair of the Board, President and Chief Executive Officer, and Chief Creative Officer of the Combined Company shall be filled by those individuals identified in Exhibit E hereto, and the management structure shall be as reflected in Exhibit F hereto, subject to such changes as may be recommended by the Chief Executive Officer and adopted by the Board of Directors.

(c) Community Advisory Board. At and as of the Effective Time, the Combined Company shall have and thereafter at all times shall maintain one or more Community Advisory Boards (“**CABs**”) pursuant to Section 396(k)(7) of the Communications Act, and any

such CAB(s) shall in totality be composed of individuals who are reasonably representative of the diverse needs and interests of the communities served by the Combined Company.

ARTICLE III

REPRESENTATIONS AND WARRANTIES BY KOCE

As a material inducement to KCET to enter into this Agreement and with the understanding that KCET will be relying on the representations and warranties set forth in this Article III in consummating the transactions contemplated under this Agreement, KOCE hereby represents and warrants to KCET, except as set forth in the section of the disclosure schedule delivered to KCET on the date hereof (the “**KOCE Disclosure Schedule**”) corresponding to the relevant subsection of this Article III (it being agreed that any matter disclosed in the KOCE Disclosure Schedule with respect to any section of this Agreement shall not be disclosed against any other section of this Agreement unless the relevance of such disclosure to such other section is reasonably apparent on the face of the disclosure, without the need to examine any underlying or incorporated document), as follows:

3.1 Organization and Standing. KOCE is a nonprofit corporation duly organized, validly existing and in good standing under the Laws of the State of California. KOCE has the full corporate power and authority to own, to lease and otherwise to hold and operate its assets and to carry on its business as now conducted, and KOCE has the full corporate power and authority to enter into and perform the terms of this Agreement, the other Merger Documents and the transactions contemplated hereby and thereby. KOCE is duly qualified to do business as a foreign corporation and is in good standing in each jurisdiction where such qualification is necessary for the conduct of its business as now conducted, except where any failure to have such power or authority or to be so qualified would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. Prior to the date of this Agreement, KOCE has delivered or made available to KCET true and complete copies of its articles of incorporation and bylaws as in effect on the date of this Agreement. KOCE has no Subsidiaries.

3.2 Authorization. The execution, delivery and performance of this Agreement and the Merger Agreement by KOCE, and the consummation of the transactions by KOCE contemplated hereby and thereby, have been and in the case of the Merger Agreement shall be duly and validly authorized by all necessary action of the Board of Directors of KOCE and by any other necessary corporate actions of KOCE, respectively (none of which actions has been modified or rescinded, and all of which actions are in full force and effect). This Agreement, assuming due authorization, execution and delivery by KCET, constitutes, and upon execution and delivery each other Merger Document shall constitute, valid and binding agreements and obligations of KOCE, enforceable against KOCE in accordance with their respective terms, except as the same may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar Laws of general applicability relating to or affecting creditors’ rights generally and by the application of general principles of equity (“**Enforceability Exceptions**”).

3.3 Consents and Approvals; No Conflicts. The execution and delivery of this Agreement and the Merger Agreement, and the performance of the transactions contemplated herein and therein by KOCE, shall not require any consent, approval, authorization or other action

by, or filing with or notification to, any Person or Governmental Authority where the failure to make such filing or obtain such consent shall have a Material Adverse Effect, except as follows: (i) FCC approval of the transfer of control of KOCE to the Combined Company (“**FCC Consent**”); (ii) the absence of a negative response to the Merger by the Attorney General of the State of California following the timely submission of the proposed Merger Agreement pursuant to Section 6010(b) of the CNCL; and (iii) the Contracts specified in Schedule 3.3 that may be assigned only with the consent of third parties.

3.4 Noncontravention. Assuming all consents, approvals, authorizations and other actions described in Section 3.3 have been obtained, the execution, delivery and performance of this Agreement and the Merger Agreement by KOCE do not and shall not (i) conflict with or violate, or require any consent or approval under, or require a filing be made or notice provided pursuant to, any Law applicable to KOCE or to which the KOCE Station is subject or by which it is affected; (ii) conflict with or result in any breach, lapse, cancellation or termination of, or constitute a default (or an event which with notice or lapse of time or both would become a default) of, or give rise to any right of termination, cancellation, acceleration, or additional liabilities or fees under any Contract or agreement to which KOCE is a party, or by which KOCE is bound, or to which the KOCE Station is subject or by which it is affected; (iii) result in the creation or imposition of any encumbrance on the KOCE Station; or (iv) conflict with or violate the organizational documents of KOCE; except, in the cases of subclauses (i) or (ii) of this Section 3.4, where any such conflict or breach would not, individually or in the aggregate, have a Material Adverse Effect.

3.5 Absence of Litigation. As of the date hereof, there is no Proceeding pending or, to the Knowledge of KOCE, threatened in any jurisdiction against KOCE, the KOCE Station or its assets, before any Governmental Authority that, individually or in the aggregate, would be reasonably likely to challenge or seek to prevent, enjoin, alter, or materially delay or frustrate the Merger; nor, to the actual or constructive Knowledge of KOCE, is there any basis for any such legal action or order.

3.6 FCC Matters. KOCE validly holds the FCC Licenses set forth in Schedule 3.6, which constitute all of the licenses, permits and authorizations from the FCC that are required for the business and operations of the KOCE Station as presently conducted. To the Knowledge of KOCE, no application, action or Proceeding is pending concerning the FCC Licenses, other than proceedings of general applicability to all non-commercial broadcast licenses, and there has been no act or omission that may give rise to or result in (i) the denial of an application for renewal; (ii) the revocation, modification, nonrenewal, cancellation, termination, assignment, transfer of control or suspension of any of the FCC Licenses, including, without limitation, by reason of any activity in connection with or participation in the FCC Spectrum Auction; or (iii) the issuance of a cease-and-desist order with respect to the KOCE Station or the FCC Licenses. KOCE has delivered or made available to KCET true and complete copies of the current FCC Licenses, including any amendments or modifications thereto. The FCC Licenses are validly held by KOCE, are in full force and effect, and are unimpaired by any act or omission of KOCE or its officers, employees, affiliates or agents, and none is subject to any restriction or condition that would limit in any respect the full operation of the KOCE Station. KOCE is not subject to any outstanding judgment or order of the FCC. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, since January 1, 2015, the KOCE

Station has been operated and is being operated in accordance with the Communications Act of 1934, as amended (“**Communications Act**”), the rules and regulations of the FCC (“**FCC Rules**”) and the FCC Licenses. To the Knowledge of KOCE, there are no facts which, under the Communications Act or the FCC Rules, would disqualify KOCE as the transferor of the KOCE Station’s licenses, permits or authorizations.

3.7 Financial Statements. KOCE has delivered or made available to KCET (i) KOCE’s audited financial statements at and for the period ending June 30, 2017; (ii) KOCE’s unaudited income statements and balance sheets for the current fiscal year through December 31, 2017 (collectively, (i) and (ii) are the “**KOCE Financials**”); and (iii) KOCE’s fiscal year 2018 cash flow projections (the “**KOCE 2018 Cash Flow Projections**”), which KOCE Financials and KOCE 2018 Cash Flow Projections are attached to this Agreement as Schedule 3.7. At least two weeks prior to Closing, KOCE shall prepare and deliver to KCET cash flow projections for fiscal 2019 reasonably acceptable to KCET (the “**KOCE 2019 Cash Flow Projections**,” and together with the KOCE 2018 Cash Flow Projections, the “**KOCE Cash Flow Projections**”). The books and records of KOCE accurately and fairly reflect KOCE’s business, and the results of operations and the KOCE Financials accurately and fairly present KOCE’s financial condition and results of operations, as of the respective dates thereof and for the periods therein referred to. The KOCE Cash Flow Projections have been prepared in good faith and are based on what KOCE and its management believe to be a reasonable assessment of the future performance of KOCE without taking the Merger into account.

3.8 Absence of Certain Changes. From June 30, 2017, through the date of this Agreement, the business of KOCE has been conducted in the ordinary course of business consistent with past practices in all material respects, and there has not been any effect, change, development or occurrence that has had or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

3.9 No Undisclosed Material Liabilities. There are no liabilities or obligations of KOCE that would be required by GAAP, as in effect on the date hereof, to be reflected on the balance sheet of KOCE (including the notes thereto), other than (i) liabilities or obligations disclosed, reflected, reserved against or otherwise provided for in the KOCE Financials or in the notes thereto; (ii) liabilities or obligations incurred in the ordinary course of business since June 30, 2017; (iii) liabilities or obligations arising out of the preparation, negotiation and consummation of the transactions contemplated by this Agreement; and (iv) liabilities or obligations that have not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

3.10 Litigation. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, there is no Proceeding pending (or, to the Knowledge of KOCE, threatened) before any court of competent jurisdiction with respect to KOCE or any of its officers, directors or employees in such capacities.

3.11 Reports and Records. Since January 1, 2015, all returns, reports, notices, forms, applications, statements and other documents relating to the KOCE Station currently required to be filed by KOCE with the FCC or any other Governmental Authority, or with the Corporation for Public Broadcasting (“**CPB**”) or the Public Broadcasting System (“**PBS**”), have been filed, and

when filed were correct and complete in all material respects. All such returns, reports, notices, forms, applications, statements and other documents shall continue to be filed by KOCE on a current basis until the Closing Date, and when filed shall be correct and complete in all material respects. KOCE has registered with the Registry of Charitable Trusts and has filed the annual statements (Form RRF-1) required thereby within the times and in the manner prescribed by law for the past three (3) years. KOCE has never been audited by the Registry of Charitable Trusts and/or by the Office of the California Attorney General. There are no present disputes of any nature between KOCE and the Registry of Charitable Trusts and/or the California Attorney General.

3.12 Taxes. KOCE has received a letter from the Internal Revenue Service (“IRS”) advising KOCE that the IRS has determined that KOCE is an organization described in Section 501(c)(3) of the IRC, and such letter is attached hereto in Schedule 3.12. The IRS has neither revoked nor threatened to revoke its determination that KOCE is an organization described in Section 501(c)(3) of the IRC. KOCE has received a letter from the California Franchise Tax Board (“FTB”) advising KOCE that the FTB has determined that KOCE is an organization described in Section 23701d of the RTC, and such letter is attached hereto in Schedule 3.12. KOCE has timely filed all Tax returns and information reports required to be filed. All Tax returns filed by KOCE were correct and complete in all material respects. All Taxes (whether or not shown or required to be shown on any Tax return) owed by KOCE have been paid. No deficiency for any amount of Tax has been asserted or assessed by a taxing authority against KOCE. No consent under Section 341(f) of the IRC has been filed with respect to KOCE. To the Knowledge of KOCE, there are no examinations of any Tax returns of KOCE currently being conducted by the IRS or any other taxing authority, and KOCE has not received any notice that the IRS or any other taxing authority intends to conduct such examinations. KOCE currently is not the beneficiary of any extension of time in which to file any Tax return. KOCE has not waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to an assessment or deficiency. KOCE has withheld and paid all Taxes required to have been withheld and paid in connection with any amounts paid or owing to any employee, independent contractor, creditor, stockholder or other third party, and all Forms W-2 and 1099 required with respect thereto have been properly completed and timely filed.

3.13 Insurance. Schedule 3.13 contains a list and brief summary of all policies of title, property, fire, casualty, liability, workers’ compensation, libel and slander, and all other forms of insurance of any kind relating to the business and operations of the KOCE Station and held by KOCE. All such policies (i) are in full force and effect; (ii) are sufficient for compliance in all material respects by KOCE with all requirements of Law and of all material agreements to which KOCE is a party; and (iii) are valid, outstanding and enforceable policies. KOCE has not reached or exceeded its policy limits for any insurance policy in effect at any time during the past five (5) years. With respect to each policy of insurance listed in Schedule 3.13, all premiums due with respect thereto are currently paid. There have not been any claims relating to the assets or operations of the KOCE Station in which the insurer has denied coverage.

3.14 Properties.

(a) Schedule 3.14 sets forth, as of the date of this Agreement, (i) a list of all material real properties (by name and location) owned by KOCE (the “**KOCE Owned Real**

Property”), and (ii) a list of the material leases, subleases or other occupancies to which KOCE is a party as tenant for real property (the “**KOCE Real Property Leases**”).

(b) Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect with respect to each KOCE Owned Real Property, (i) KOCE has good and marketable title to such KOCE Owned Real Property, free and clear of all Liens (other than Permitted Liens), and (ii) there are no existing, pending or, to the Knowledge of KOCE, threatened condemnation, eminent domain or similar proceedings affecting such KOCE Owned Real Property.

(c) Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (i) KOCE has valid leasehold title to each real property subject to a KOCE Real Property Lease, sufficient to allow KOCE to conduct its business as currently conducted; (ii) each KOCE Real Property Lease under which KOCE leases, subleases or otherwise occupies any real property is valid, binding, and in full force and effect, subject to the Enforceability Exceptions; and (iii) KOCE or, to the Knowledge of KOCE, any other party to such KOCE Real Property Lease has not violated any provision of, or taken or failed to take any act which, with or without notice, lapse of time, or both, would constitute a default under the provisions of, such KOCE Real Property Lease.

(d) Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, KOCE in respect of all of its properties, assets, and other rights that do not constitute real property or Intellectual Property (i) has valid title to all such properties, assets and other rights reflected in its books and records as owned by it free and clear of all Liens (other than Permitted Liens) and (ii) owns or has valid leasehold interests in or valid contractual rights to use all such properties, assets and other rights (in each case except for Permitted Liens).

3.15 Environmental Matters. Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (i) KOCE is and, since January 1, 2015, has been in compliance with all applicable Environmental Laws and Environmental Permits; (ii) since January 1, 2015 (or any time with respect to unresolved matters), no notice of violation or other notice has been received by KOCE alleging any violation of, or liability arising out of, any Environmental Law, the substance of which has not been resolved; (iii) no Proceeding is pending or, to the Knowledge of KOCE, threatened against KOCE under any Environmental Law; and (iv) KOCE has not released, disposed or arranged for disposal of, or exposed any Person to, any Hazardous Substances, or owned or operated any real property contaminated by any Hazardous Substances, in each case that has resulted in an investigation or cleanup by, or in the liability of, KOCE.

3.16 Intellectual Property.

(a) Schedule 3.16(a) lists, as of the date hereof, the Marks, Copyrights and Patents that are registered, issued or subject to an application for registration or issuance that are owned by and are material to the conduct of the business of KOCE (collectively, the “**KOCE Registered Intellectual Property**”), and except as indicated, the Registered Intellectual Property is subsisting and, to the Knowledge of KOCE, where registered, is valid, enforceable and does

not violate third party rights.. The KOCE Owned Intellectual Property is owned by KOCE free and clear of all Liens, except for Permitted Liens. KOCE owns or has the right to use the Intellectual Property necessary for or material to the conduct of its business.

(b) Except as set forth in Schedule 3.16 (a), (i) to the Knowledge of KOCE, since January 1, 2015, the conduct of the business of KOCE does not infringe, violate or misappropriate, and KOCE has not infringed, violated or misappropriated any Intellectual Property of any other Person, except, in each case, as would not reasonably be expected to have a Material Adverse Effect; (ii) there is no pending or, to the Knowledge of KOCE, threatened Proceeding against KOCE alleging any such infringement, violation or misappropriation; and (iii) to the Knowledge of KOCE, no Person is infringing, violating or misappropriating any Owned Intellectual Property that is material to the business of KOCE in any manner that would have a Material Adverse Effect.

(c) Except for actions or failure to take actions that would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, KOCE has taken commercially reasonable actions to maintain the (i) KOCE Registered Intellectual Property (other than applications) and (ii) secrecy of the Trade Secrets that are Owned Intellectual Property.

(d) To the Knowledge of KOCE, (i) no employee, independent contractor, consultant or other third party is in breach of any confidentiality or assignment provision(s)/agreement(s) to which KOCE is a party where any such breach would reasonably be expected to have a Material Adverse Effect, and (ii) nor has there been any unauthorized use or access by or disclosure to a third-person of any non-public information or Intellectual Property which would reasonably be expected to have a Material Adverse Effect.

(e) Schedule 3.16(e) lists all Contracts that are licenses material to the conduct of KOCE's business which are not freely assignable, or otherwise have any restriction, limitation or condition on KOCE's ability to assign and transfer all of its rights and interests under such licenses, to the entity to be created by the Merger.

(f) All IT Systems material to the business of KOCE are in operating condition and in a good state of maintenance and repair (ordinary wear and tear excepted) and are adequate and suitable for the purposes for which they are presently being used or held for use. Schedule 3.16(f) lists all IT Systems related Contracts that are material to the conduct of KOCE's business which expire prior to the end of 2018 and do not automatically renew or provide KOCE with a unilateral right to renew or otherwise extend the term through at least the end of 2018. To the Knowledge of KOCE, none of the IT Systems contains any unauthorized "back door," "drop dead device," "time bomb," "Trojan horse," "virus" or "worm" (as such terms are commonly understood in the software industry) or any other unauthorized code intended to disrupt, disable, harm or otherwise impede the operation of, or provide unauthorized access to, a computer system or network or other device on which such code is stored or installed.

(g) Since January 1, 2015, KOCE (i) has not had an unplanned outage, security or other failure, unauthorized access or use, or other adverse integrity or security event affecting any of the IT Systems or (ii) has not had any Knowledge of any data security, information security or other technological deficiency with respect to the IT Systems, in each case of (i) and (ii), that

caused or causes or presented or presents a risk of disruption to the IT Systems, or of unauthorized access to or disclosure of personally identifiable information that had, or would reasonably be expected to have, a Material Adverse Effect.

3.17 Accounts Receivable; Grants. Schedule 3.17 sets forth a complete and accurate list and brief description of all accounts receivable (including, without limitation, any receivables from the FCC Spectrum Auction), grants and pledges under which KOCE or the KOCE Station receives funds or tangible or intangible property, or is entitled to receive funds or tangible or intangible property or to purchase or lease property or services at below-market rates, and which shall be assumed by the Combined Company, in each case in excess of \$50,000. All grant agreements and pledges have been previously delivered to KCET or made available by KOCE for inspection by KCET. With respect to each grant agreement and pledge, KOCE has complied with all material requirements.

3.18 Brokers. Neither KOCE nor any of its officers, directors or employees has employed any investment banker, broker or finder, or incurred any liability for any investment banking fees, brokerage fees, commissions or finders' fees, in connection with the Merger.

3.19 Employee Benefit Plans.

(a) Schedule 3.19 contains a correct and complete list identifying each material Employee Plan that KOCE sponsors, maintains or contributes to, or is required to maintain or contribute to, for the benefit of any current or former director, officer, employee or individual consultant (or any dependent or beneficiary thereof) of KOCE or under or with respect to which KOCE has any current or contingent material liability or obligation, but excluding Multiemployer Plans (the "**KOCE Plan**"). For purposes of this Agreement, "**Employee Plan**" means each "employee benefit plan" within the meaning of ERISA Section 3(3), whether or not subject to ERISA, including, but not limited to, all change in control, bonus or other incentive compensation, disability, salary continuation, employment, consulting, indemnification, severance, retention, retirement, pension, profit sharing, savings or thrift, deferred compensation, health or life insurance, welfare, employee discount or free product, vacation, sick pay or paid time off agreements, arrangements, programs, plans or policies, and each other material benefit or compensation plan, program, policy, Contract, agreement or arrangement, whether written or unwritten.

(b) Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (i) each KOCE Plan has been maintained, funded, administered and operated in accordance with its terms and in compliance with the requirements of applicable Law, and (ii) KOCE has not incurred or is not reasonably expected to incur or to be subject to any material Tax or other penalty under Section 4980B, 4980D or 4980H of the IRC.

(c) Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, other than routine claims for benefits, there are no pending or, to the Knowledge of KOCE, threatened Proceedings by or on behalf of any participant in any KOCE Plan, or otherwise involving any KOCE Plan or the assets of any KOCE Plan.

(d) Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, each KOCE Plan that is intended to be qualified under Section 401(a) of the IRC has received a determination or opinion letter from the IRS that it is so qualified, and each related trust that is intended to be exempt from federal income taxation under Section 501(a) of the IRC has received a determination or opinion letter from the IRS that it is so exempt, and, to the Knowledge of KOCE, no fact or event has occurred since the date of such letter or letters from the IRS that could reasonably be expected to adversely affect the qualified status of any such KOCE Plan or the exempt status of any such trust.

(e) Neither KOCE nor any of its ERISA affiliates maintains, contributes to or sponsors (or has in the past six years maintained, contributed to or sponsored) a multiemployer plan (a “**Multiemployer Plan**”) as defined in Section 3(37) or Section 4001(a)(3) of ERISA. Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (i) no KOCE Plan is in “at-risk status” as defined in Section 430(i) of the IRC; (ii) no KOCE Plan has any accumulated funding deficiency within the meaning of Section 412 of the IRC or Section 302 of ERISA, whether or not waived; and (iii) no liability under Title IV of ERISA has been incurred by the Company or any ERISA affiliate thereof that has not been satisfied in full, and no condition exists that presents a risk to the Company or any ERISA affiliate thereof of incurring or being subject (whether primarily, jointly or secondarily) to a liability (whether actual or contingent) thereunder.

(f) No KOCE Plan provides post-employment or post-termination health or welfare benefits for any current or former employees or other service providers (or any dependent thereof) of KOCE, other than as required under Section 4980B of the IRC or other applicable Law for which the covered Person pays the full cost of coverage.

(g) The consummation of the transactions contemplated hereby shall not, either alone or in combination with another event, (i) result in any payment becoming due, accelerate the time of payment or vesting, or increase the amount of compensation (including severance) due to any current or former director, officer, individual consultant or employee of KOCE; (ii) result in any forgiveness of indebtedness with respect to any current or former employee, director or officer, or individual consultant of KOCE, trigger any funding obligation under any KOCE Plan, or impose any restrictions or limitations on KOCE’s rights to administer, amend or terminate any KOCE Plan; or (iii) result in the acceleration or receipt of any payment or benefit (whether in cash or property or the vesting of property) by KOCE to any “disqualified individual” (as such term is defined in Treasury Regulations Section 1.280G-1) that would reasonably be expected, individually or in combination with any other such payment, to constitute an “excess parachute payment” (as defined in Section 280G(b)(1) of the IRC). KOCE does not have any obligation to provide any gross-up payment to any individual with respect to any income Tax, additional Tax, excise Tax or interest charge imposed pursuant to Section 409A or Section 4999 of the IRC.

(h) Each KOCE Plan or other plan, program, policy or arrangement that constitutes a “nonqualified deferred compensation plan” within the meaning of Treasury Regulation Section 1.409A-1(a)(i), to the extent then in effect, (i) was operated in material compliance with Section 409A of the IRC between January 1, 2005, and December 31, 2008, based upon a good faith, reasonable interpretation of Section 409A of the IRC, or (ii) was operated in material compliance with guidance issued by the IRS thereunder (including IRS Notice 2005-

1), to the extent applicable and effective (clauses (i) and (ii), together, the “409A Authorities”); (iii) has been operated in material compliance with the 409A Authorities and the final Treasury Regulations issued thereunder since January 1, 2009; and (iv) has been in material documentary compliance with the 409A Authorities and the final Treasury Regulations issued thereunder since January 1, 2009.

3.20 Employees; Labor Matters.

(a) (i) KOCE is not a party to or bound by any collective bargaining agreement or other material Contract with any labor organization (each, a “**Collective Bargaining Agreement**”); (ii) since January 1, 2015, no labor union, labor organization or group of employees of KOCE has made a demand for recognition or certification, and there are, and since January 1, 2015, have been, no representation or certification proceedings or petitions seeking a representation Proceeding presently pending or threatened in writing to be brought or filed with the National Labor Relations Board or any other labor relations tribunal or authority with respect to any individuals employed by KOCE; and (iii) except as would cause, individually or in the aggregate, a Material Adverse Effect, there are no ongoing or threatened union organization or decertification activities relating to employees of KOCE, and no such activities have occurred since January 1, 2015. Since January 1, 2015, there has not occurred or, to the Knowledge of KOCE, been threatened any strike or any slowdown, work stoppage, concerted refusal to work overtime, or other similar labor activity, union organizing campaign, or labor dispute against or involving KOCE, except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. There is and, since January 1, 2015, there has been no unfair labor practice complaint or grievance or other administrative or judicial complaint, charge, action or investigation pending or, to the Knowledge of KOCE, threatened in writing against KOCE by or before the National Labor Relations Board or any other Governmental Authority with respect to any present or former employee or independent contractor of KOCE that had or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) Except as would not reasonably be expected to have a Material Adverse Effect, KOCE has complied in all material respects with all applicable Laws relating to employment of labor, including all applicable Laws relating to wages, hours, collective bargaining, employment discrimination, civil rights, safety and health, workers’ compensation, pay equity, classification of employees, immigration, and the collection and payment of withholding and/or Social Security Taxes. Schedule 3.20(b) sets forth an accurate, correct and complete list of all employees terminated (except with cause, by voluntarily departure or by normal retirement), laid off or subjected to a reduction of more than 50% in hours or work during the three full calendar months and the partial month preceding this representation and warranty.

(c) There are no Proceedings pending, or to KOCE’s Knowledge threatened, in connection with any employment-related matter. Schedule 3.20(c) identifies all Proceedings since January 1, 2015 regarding any employment-related matter.

3.21 Material Contracts.

(a) Schedule 3.21 sets forth, as of the date of this Agreement, a correct and complete list of each of the following types of Contracts to which KOCE is a party, or by which any of its properties or assets is bound:

(i) Each Contract that (A) limits or restricts KOCE from competing in any line of business or with any Person in any geographic region, (B) contains exclusivity obligations or restrictions binding on KOCE, (C) requires KOCE to conduct any business on a “most favored nations” basis with any third party, or (D) provides for rights of first refusal or offer or any similar requirement or right in favor of any third party in respect of any KOCE asset that is material to KOCE;

(ii) Each Contract that is a joint venture, partnership, limited liability company or similar agreement that is material to KOCE;

(iii) Each Contract that is a loan, guarantee of indebtedness or credit agreement, note, bond, mortgage, indenture or other binding commitment (other than letters of credit) relating to indebtedness for borrowed money in an amount in excess of \$100,000 individually;

(iv) Each Contract with respect to an interest, rate, currency, or other swap or derivative transaction with a fair market value in excess of \$100,000;

(v) Each Contract that is an acquisition agreement or a divestiture agreement or agreement for the sale, lease or license of any business or properties or assets of or by KOCE (by merger, purchase or sale of assets or stock) entered into since January 1, 2015, or pursuant to which (A) KOCE has any outstanding obligation to pay after the date of this Agreement consideration in excess of \$100,000 or (B) any other Person has the right to acquire any assets of KOCE after the date of this Agreement with a fair market value or purchase price of more than \$100,000, excluding, in each case, (1) any Contract relating to Program Rights and (2) acquisitions or dispositions of supplies, inventory or products in connection with the conduct of KOCE’s business or of supplies, inventory, products, equipment, properties or other assets that are obsolete, worn out, surplus, or no longer used or useful in the conduct of the business of KOCE;

(vi) Each Contract pursuant to which KOCE has continuing “earn-out” or similar obligations that could result in payments in excess of \$100,000 in the aggregate;

(vii) Except with respect to PBS dues, any Contract relating to Program Rights under which it would reasonably be expected that KOCE would make annual payments in excess of \$100,000 per year;

(viii) Except with respect to PBS membership, any network affiliation Contract or similar Contract;

(ix) Any Contract relating to cable or satellite transmission or retransmission;

(x) Any Contract that is a sharing agreement, and any related option agreement;

(xi) Any Contract that is a channel sharing agreement with a third party or parties with respect to the sharing of spectrum for the operation of two or more separately owned television stations;

(xii) Any material Contract with a Governmental Authority;

(xiii) Any material collective bargaining agreement or other material Contract with any labor organization;

(xiv) Any Contract not terminable at will by KOCE for the employment of any executive officer or individual employee at the vice president level or above on a full-time, part-time or consulting basis with base compensation in excess of \$150,000;

(xv) Any Contract (other than those for Program Rights) pursuant to which KOCE has sold or traded commercial air time in consideration for property or services with a value in excess of \$50,000 in lieu of or in addition to cash.

Each Contract of the type described in clauses (i) through (xv) is referred to herein as a **“KOCE Material Contract.”**

(b) Except for any KOCE Material Contract that has terminated or expired in accordance with its terms and except as has not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, each KOCE Material Contract is valid and binding and in full force and effect and, to the Knowledge of KOCE, is enforceable against the other Party or parties thereto in accordance with its terms, subject to the Enforceability Exceptions. Except for breaches, violations or defaults which have not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, neither KOCE nor, to the Knowledge of KOCE, any other party to a KOCE Material Contract is in violation of or in default under any provision of such KOCE Material Contract. True and complete copies of the KOCE Material Contracts and any material amendments thereto have been made available to KCET prior to the date of this Agreement.

3.22 No Additional Representations; Limitations on Warranties. Except for the representations and warranties expressly made by KOCE in this Agreement, neither KOCE nor any other Person makes any express or implied representation or warranty whatsoever or with respect to any information provided or made available in connection with the transactions contemplated by this Agreement, including any information, documentation, forecasts, budgets, projections or estimates provided by KOCE or any Representative of KOCE, including in any “data rooms” or management presentations, or the accuracy or completeness of any of the foregoing. KOCE has conducted its own independent review and analysis of the business, operations, assets, liabilities, results of operations, financial condition and technology of KCET and acknowledges that KOCE has been provided access to personnel, properties, premises and records of KCET for such purposes. In entering into this Agreement, except as expressly provided herein, KOCE has relied solely upon its independent investigation and analysis of KCET, and KOCE acknowledges and agrees that it has not been induced by and has not relied upon any representations, warranties or statements, whether express or implied, made by KCET or any of its directors, officers, stockholders, employees, affiliates, agents, advisors or Representatives that

are not expressly set forth in this Agreement, whether or not such representations, warranties or statements were made in writing or orally. Notwithstanding Section 4.22(a) or any other provision, KOCE acknowledges and agrees that it has a duty and obligation to use commercially reasonable best efforts to make all disclosures required under this Agreement fully, completely and timely, and (ii) represents and warrants that it has or will as of the Closing Date fulfill such duties and obligations.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES BY KCET

As a material inducement to KOCE to enter into this Agreement and with the understanding that KOCE will be relying on the representations and warranties set forth in this Article IV in consummating the transactions contemplated under this Agreement, KCET hereby represents and warrants to KOCE, except as set forth in the section of the disclosure schedule delivered to KOCE on the date hereof (the “**KCET Disclosure Schedule**”) corresponding to the relevant subsection of this Article IV (it being agreed that any matter disclosed in the KCET Disclosure Schedule with respect to any section of this Agreement shall not be disclosed against any other section of this Agreement unless the relevance of such disclosure to such other section is reasonably apparent on the face of the disclosure, without the need to examine any underlying or incorporated document), as follows:

4.1 Organization and Standing. KCET is a nonprofit corporation duly organized, validly existing and in good standing under the Laws of the State of California. KCET has the full corporate power and authority to own, to lease and otherwise to hold and operate its assets and to carry on its business as now conducted, and KCET has the full corporate power and authority to enter into and perform the terms of this Agreement, the other Merger Documents and the transactions contemplated hereby and thereby. KCET is duly qualified to do business as a foreign corporation and is in good standing in each jurisdiction where such qualification is necessary for the conduct of its business as now conducted, except where any failure to have such power or authority or to be so qualified would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. Prior to the date of this Agreement, KCET has delivered or made available to KCET true and complete copies of its articles of incorporation and bylaws as in effect on the date of this Agreement. KCET has no Subsidiaries.

4.2 Authorization. The execution, delivery and performance of this Agreement and the Merger Agreement by KCET, and the consummation of the transactions by KCET contemplated hereby and thereby, have been and in the case of the Merger Agreement shall be duly and validly authorized by all necessary action of the Board of Directors of KCET and by any other necessary corporate actions of KCET, respectively (none of which actions has been modified or rescinded and all of which actions are in full force and effect). This Agreement, assuming due authorization, execution and delivery by KOCE, constitutes, and upon execution and delivery each other Merger Document shall constitute, valid and binding agreements and obligations of KCET, enforceable against KCET in accordance with their respective terms, except for the application of the Enforceability Exceptions.

4.3 Consents and Approvals; No Conflicts. The execution and delivery of this Agreement and the Merger Agreement, and the performance of the transactions contemplated herein and therein by KCET, shall not require any consent, approval, authorization or other action by, or filing with or notification to, any Person or Governmental Authority where the failure to make such filing or obtain such consent shall have a Material Adverse Effect, except as follows: (i) the FCC Consent; (ii) the absence of a negative response to the Merger by the Attorney General of the State of California following the timely submission of the proposed Merger Agreement pursuant to Section 6010(b) of the CNCL; and (iii) the Contracts specified in Schedule 3.3 that may be assigned only with the consent of third parties.

4.4 Noncontravention. Assuming all consents, approvals, authorizations and other actions described in Section 4.3 have been obtained, the execution, delivery and performance of this Agreement and the Merger Agreement by KCET do not and shall not (i) conflict with or violate, or require any consent or approval under, or require a filing be made or notice provided pursuant to, any Law applicable to KCET or to which the KCET Station is subject or by which it is affected; (ii) conflict with or result in any breach, lapse, cancellation or termination of, or constitute a default (or an event which with notice or lapse of time or both would become a default) of, or give rise to any right of termination, cancellation, acceleration, or additional liabilities or fees under any Contract or agreement to which KCET is a party, or by which KCET is bound, or to which the KCET Station is subject or by which it is affected; (iii) result in the creation or imposition of any encumbrance on the KCET Station; or (iv) conflict with or violate the organizational documents of KCET; except, in the cases of subclauses (i) or (ii) of this Section 4.4, where any such conflict or breach would not, individually or in the aggregate, have a Material Adverse Effect.

4.5 Absence of Litigation. As of the date hereof, there is no Proceeding pending or, to the Knowledge of KCET, threatened in any jurisdiction against KCET, the KCET Station or its assets, before any Governmental Authority that, individually or in the aggregate, would be reasonably likely to challenge or seek to prevent, enjoin, alter, or materially delay or frustrate the Merger; nor, to the actual or constructive Knowledge of KCET, is there any basis for any such legal action or order.

4.6 FCC Matters. KCET validly holds the FCC Licenses set forth in Schedule 4.6, which constitute all of the licenses, permits and authorizations from the FCC that are required for the business and operations of the KCET Station as presently conducted. To the Knowledge of KCET, no application, action or Proceeding is pending concerning the FCC Licenses, other than proceedings of general applicability to all non-commercial broadcast licenses, and there has been no act or omission that may give rise to or result in (i) the denial of an application for renewal; (ii) the revocation, modification, nonrenewal, cancellation, termination, assignment, transfer of control or suspension of any of the FCC Licenses, including, without limitation, by reason of any activity in connection with or participation in the FCC Spectrum Auction; or (iii) the issuance of a cease-and-desist order with respect to the KCET Station or the FCC Licenses. KCET has delivered or made available to KCET true and complete copies of the current FCC Licenses, including any amendments or modifications thereto. The FCC Licenses are validly held by KCET, are in full force and effect, and are unimpaired by any act or omission of KCET or its officers, employees, affiliates or agents, and none is subject to any restriction or condition that would limit in any respect the full operation of the KCET Station. KCET is not subject to any outstanding

judgment or order of the FCC. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, since January 1, 2015, the KCET Station has been operated and is being operated in accordance with the Communications Act, the FCC Rules and the FCC Licenses. To the Knowledge of KCET, there are no facts which, under the Communications Act or the FCC Rules, would disqualify KCET as the transferor of the KCET Station's licenses, permits or authorizations.

4.7 Financial Statements. KCET has delivered or made available to KOCE (i) KCET's audited financial statements at and for the period ending June 30, 2017; (ii) KCET's unaudited income statements and balance sheets for the current fiscal year through December 31, 2017 (collectively, (i) and (ii) are the "KCET Financials"); and (iii) KCET's fiscal year 2018 cash flow projections (the "KCET 2018 Cash Flow Projections"), which KCET Financials and KCET 2018 Cash Flow Projections are attached to this Agreement as Schedule 4.7. At least two weeks prior to Closing, KCET shall prepare and deliver to KOCE cash flow projections for fiscal 2019 reasonably acceptable to KOCE (the "**KCET 2019 Cash Flow Projections**," and together with the KCET 2018 Cash Flow Projections, the "**KCET Cash Flow Projections**"). The books and records of KCET accurately and fairly reflect KCET's business, and the results of operations and the KCET Financials accurately and fairly present KCET's financial condition and results of operations, as of the respective dates thereof and for the periods therein referred to. The KCET Cash Flow Projections have been prepared in good faith and are based on what KCET and its management believe to be a reasonable assessment of the future performance of KCET without taking the Merger into account.

4.8 Absence of Certain Changes. From June 30, 2017, through the date of this Agreement, the business of KCET has been conducted in the ordinary course of business consistent with past practices in all material respects, and there has not been any effect, change, development or occurrence that has had or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

4.9 No Undisclosed Material Liabilities. There are no liabilities or obligations of KCET that would be required by GAAP, as in effect on the date hereof, to be reflected on the balance sheet of KCET (including the notes thereto), other than (i) liabilities or obligations disclosed, reflected, reserved against or otherwise provided for in the KCET Financials or in the notes thereto; (ii) liabilities or obligations incurred in the ordinary course of business since June 30, 2017; (iii) liabilities or obligations arising out of the preparation, negotiation and consummation of the transactions contemplated by this Agreement; and (iv) liabilities or obligations that have not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

4.10 Litigation. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, there is no Proceeding pending (or, to the Knowledge of KCET, threatened) before any court of competent jurisdiction with respect to KCET or any of its officers, directors or employees in such capacities.

4.11 Reports and Records. Since January 1, 2015, all returns, reports, notices, forms, applications, statements and other documents relating to the KCET Station currently required to be filed by KCET with the FCC or any other Governmental Authority, or with CPB or PBS, have

been filed, and when filed were correct and complete in all material respects. All such returns, reports, notices, forms, applications, statements and other documents shall continue to be filed by KCET on a current basis until the Closing Date, and when filed shall be correct and complete in all material respects. KCET has registered with the Registry of Charitable Trusts and has filed the annual statements (Form RRF-1) required thereby within the times and in the manner prescribed by law for the past three (3) years. KCET has never been audited by the Registry of Charitable Trusts and/or by the Office of the California Attorney General. There are no present disputes of any nature between KCET and the Registry of Charitable Trusts and/or the California Attorney General.

4.12 Taxes. KCET has received a letter from the IRS advising KCET that the IRS has determined that KCET is an organization described in Section 501(c)(3) of the IRC, and such letter is attached hereto as Schedule 4.12. The IRS has neither revoked nor threatened to revoke its determination that KCET is an organization described in Section 501(c)(3) of the IRC. KCET has received a letter from the FTB advising KCET that the FTB has determined that KCET is an organization described in Section 23701d of the RTC, and such letter is attached hereto in Schedule 4.12. KCET has timely filed all Tax returns and information reports required to be filed. All Tax returns filed by KCET were correct and complete in all material respects. All Taxes (whether or not shown or required to be shown on any Tax return) owed by KCET have been paid. No deficiency for any amount of Tax has been asserted or assessed by a taxing authority against KCET. No consent under Section 341(f) of the IRC has been filed with respect to KCET. To the Knowledge of KCET, there are no examinations of any Tax returns of KCET currently being conducted by the IRS or any other taxing authority, and KCET has not received any notice that the IRS or any other taxing authority intends to conduct such examinations. KCET currently is not the beneficiary of any extension of time in which to file any Tax return. KCET has not waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to an assessment or deficiency. KCET has withheld and paid all Taxes required to have been withheld and paid in connection with any amounts paid or owing to any employee, independent contractor, creditor, stockholder or other third party, and all Forms W-2 and 1099 required with respect thereto have been properly completed and timely filed.

4.13 Insurance. Schedule 4.13 contains a list and brief summary of all policies of title, property, fire, casualty, liability, workers' compensation, libel and slander, and all other forms of insurance of any kind relating to the business and operations of the KCET Station and held by KCET. All such policies (i) are in full force and effect; (ii) are sufficient for compliance in all material respects by KCET with all requirements of Law and of all material agreements to which KCET is a party; and (iii) are valid, outstanding and enforceable policies. KCET has not reached or exceeded its policy limits for any insurance policy in effect at any time during the past five (5) years. With respect to each policy of insurance listed in Schedule 4.13, all premiums due with respect thereto are currently paid. There have not been any claims relating to the assets or operations of the KCET Station in which the insurer has denied coverage.

4.14 Properties.

(a) Schedule 4.14 sets forth, as of the date of this Agreement, (i) a list of all material real properties (by name and location) owned by KCET (the "**KCET Owned Real**

Property”) and (ii) a list of the material leases, subleases or other occupancies to which KCET is a party as tenant for real property (the “**KCET Real Property Leases**”).

(b) Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect with respect to each KCET Owned Real Property, (i) KCET has good and marketable title to such KCET Owned Real Property, free and clear of all Liens (other than Permitted Liens), and (ii) there are no existing, pending or, to the Knowledge of KCET, threatened condemnation, eminent domain or similar proceedings affecting such KCET Owned Real Property.

(c) Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (i) KCET has valid leasehold title to each real property subject to a KCET Real Property Lease, sufficient to allow KCET to conduct its business as currently conducted; (ii) each KCET Real Property Lease under which KCET leases, subleases or otherwise occupies any real property is valid, binding, and in full force and effect, subject to the Enforceability Exceptions; and (iii) KCET or, to the Knowledge of KCET, any other party to such KCET Real Property Lease has not violated any provision of, or taken or failed to take any act which, with or without notice, lapse of time, or both, would constitute a default under the provisions of, such KCET Real Property Lease.

(d) Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, KCET in respect of all of its properties, assets and other rights that do not constitute real property or Intellectual Property (i) has valid title to all such properties, assets and other rights reflected in its books and records as owned by it free and clear of all Liens (other than Permitted Liens) and (ii) owns or has valid leasehold interests in or valid contractual rights to use all such properties, assets and other rights (in each case except for Permitted Liens).

4.15 Environmental Matters. Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (i) KCET is and, since January 1, 2015, has been in compliance with all applicable Environmental Laws and Environmental Permits; (ii) since January 1, 2015 (or any time with respect to unresolved matters), no notice of violation or other notice has been received by KCET alleging any violation of, or liability arising out of, any Environmental Law, the substance of which has not been resolved; (iii) no Proceeding is pending or, to the Knowledge of KCET, threatened against KCET under any Environmental Law; and (iv) KCET has not released, disposed or arranged for disposal of, or exposed any Person to, any Hazardous Substances, or owned or operated any real property contaminated by any Hazardous Substances, in each case that has resulted in an investigation or cleanup by, or in the liability of, KCET.

4.16 Intellectual Property.

(a) Schedule 4.16(a) lists, as of the date hereof, the Marks, Copyrights and Patents that are registered, issued or subject to an application for registration or issuance that are owned by and are material to the conduct of the business of KCET (collectively, the “**KCET Registered Intellectual Property**”), and, except as indicated, the Registered Intellectual Property is subsisting and, to the Knowledge of KCET, where registered, is valid, enforceable and does not

violate third party rights. The KCET Owned Intellectual Property is owned by KCET free and clear of all Liens, except for Permitted Liens. KCET owns or has the right to use the Intellectual Property necessary for or material to the conduct of its business.

(b) Except as set forth in Schedule 4.16 (a), (i) to the Knowledge of KCET, since January 1, 2015, the conduct of the business of KCET does not infringe, violate or misappropriate, and KCET has not infringed, violated or misappropriated any Intellectual Property of any other Person, except, in each case, as would not reasonably be expected to have a Material Adverse Effect; (ii) there is no pending or, to the Knowledge of KCET, threatened Proceeding against KCET alleging any such infringement, violation or misappropriation; and (iii) to the Knowledge of KCET, no Person is infringing, violating or misappropriating any Owned Intellectual Property that is material to the business of KCET in any manner that would have a Material Adverse Effect.

(c) Except for actions or failure to take actions that would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, KCET has taken commercially reasonable actions to maintain the (i) KCET Registered Intellectual Property (other than applications) and (ii) secrecy of the Trade Secrets that are Owned Intellectual Property.

(d) To the Knowledge of KCET, (i) no employee, independent contractor, consultant or other third party is in breach of any confidentiality or assignment provision(s)/agreement(s) to which KCET is a party where any such breach would reasonably be expected to have a Material Adverse Effect, and (ii) nor has there been any unauthorized use or access by or disclosure to a third-person of any non-public information or Intellectual Property which would reasonably be expected to have a Material Adverse Effect.

(e) Schedule 4.16(e) lists all Contracts that are licenses material to the conduct of KCET's business which are not freely assignable, or otherwise have any restriction, limitation or condition on KCET's ability to assign and transfer all of its rights and interests under such licenses, to the entity to be created by the Merger.

(f) All IT Systems material to the business of KCET are in operating condition and in a good state of maintenance and repair (ordinary wear and tear excepted) and are adequate and suitable for the purposes for which they are presently being used or held for use. Schedule 4.16(f) lists all IT Systems related Contracts that are material to the conduct of KCET's business which expire prior to the end of 2018 and do not automatically renew or provide KCET with a unilateral right to renew or otherwise extend the term through at least the end of 2018. To the Knowledge of KCET, none of the IT Systems contains any unauthorized "back door," "drop dead device," "time bomb," "Trojan horse," "virus" or "worm" (as such terms are commonly understood in the software industry) or any other unauthorized code intended to disrupt, disable, harm or otherwise impede the operation of, or provide unauthorized access to, a computer system or network or other device on which such code is stored or installed.

(g) Since January 1, 2015, KCET (i) has not had an unplanned outage, security or other failure, unauthorized access or use, or other adverse integrity or security event affecting any of the IT Systems or (ii) has not had any Knowledge of any data security, information security or other technological deficiency with respect to the IT Systems, in each case of (i) and (ii), that

caused or causes or presented or presents a risk of disruption to the IT Systems, or of unauthorized access to or disclosure of personally identifiable information that had, or would reasonably be expected to have, a Material Adverse Effect.

4.17 Accounts Receivable; Grants. Schedule 4.17 sets forth a complete and accurate list and brief description of all accounts receivable (including, without limitation, any receivables from the FCC Spectrum Auction), grants and pledges under which KCET or the KCET Station receives funds or tangible or intangible property, or is entitled to receive funds or tangible or intangible property or to purchase or lease property or services at below-market rates, and which shall be assumed by the Combined Company, in each case in excess of \$50,000. All grant agreements and pledges have been previously delivered to KOCE or made available by KCET for inspection by KOCE. With respect to each grant agreement and pledge, KCET has complied with all material requirements.

4.18 Brokers. Neither KCET nor any of its officers, directors or employees has employed any investment banker, broker or finder, or incurred any liability for any investment banking fees, brokerage fees, commissions or finders' fees, in connection with the Merger.

4.19 Employee Benefit Plans.

(a) Schedule 4.19 contains a correct and complete list identifying each material Employee Plan that KCET sponsors, maintains or contributes to, or is required to maintain or contribute to, for the benefit of any current or former director, officer, employee or individual consultant (or any dependent or beneficiary thereof) of KCET or under or with respect to which KCET has any current or contingent material liability or obligation, but excluding Multiemployer Plans (the "**KCET Plan**").

(b) Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (i) each KCET Plan has been maintained, funded, administered and operated in accordance with its terms and in compliance with the requirements of applicable Law, and (ii) KCET has not incurred or is not reasonably expected to incur or to be subject to any material Tax or other penalty under Section 4980B, 4980D or 4980H of the IRC.

(c) Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, other than routine claims for benefits, there are no pending or, to the Knowledge of KCET, threatened Proceedings by or on behalf of any participant in any KCET Plan, or otherwise involving any KCET Plan or the assets of any KCET Plan.

(d) Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, each KCET Plan that is intended to be qualified under Section 401(a) of the IRC has received a determination or opinion letter from the IRS that it is so qualified, and each related trust that is intended to be exempt from federal income taxation under Section 501(a) of the IRC has received a determination or opinion letter from the IRS that it is so exempt, and, to the Knowledge of KCET, no fact or event has occurred since the date of such letter or letters from the IRS that could reasonably be expected to adversely affect the qualified status of any such KCET Plan or the exempt status of any such trust.

(e) Neither KCET nor any of its ERISA affiliates maintains, contributes to or sponsors (or has in the past six years maintained, contributed to or sponsored) a Multiemployer Plan. Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (i) no KCET Plan is in “at-risk status” as defined in Section 430(i) of the IRC; (ii) no KCET Plan has any accumulated funding deficiency within the meaning of Section 412 of the IRC or Section 302 of ERISA, whether or not waived; and (iii) no liability under Title IV of ERISA has been incurred by the Company or any ERISA affiliate thereof that has not been satisfied in full, and no condition exists that presents a risk to the Company or any ERISA affiliate thereof of incurring or being subject (whether primarily, jointly or secondarily) to a liability (whether actual or contingent) thereunder.

(f) No KCET Plan provides post-employment or post-termination health or welfare benefits for any current or former employees or other service providers (or any dependent thereof) of KCET, other than as required under Section 4980B of the IRC or other applicable Law for which the covered Person pays the full cost of coverage.

(g) The consummation of the transactions contemplated hereby shall not, either alone or in combination with another event, (i) result in any payment becoming due, accelerate the time of payment or vesting, or increase the amount of compensation (including severance) due to any current or former director, officer, individual consultant or employee of KCET; (ii) result in any forgiveness of indebtedness with respect to any current or former employee, director or officer, or individual consultant of KCET, trigger any funding obligation under any KCET Plan, or impose any restrictions or limitations on KCET’s rights to administer, amend or terminate any KCET Plan; or (iii) result in the acceleration or receipt of any payment or benefit (whether in cash or property or the vesting of property) by KCET to any “disqualified individual” (as such term is defined in Treasury Regulations Section 1.280G-1) that would reasonably be expected, individually or in combination with any other such payment, to constitute an “excess parachute payment” (as defined in Section 280G(b)(1) of the IRC). KCET does not have any obligation to provide any gross-up payment to any individual with respect to any income Tax, additional Tax, excise Tax or interest charge imposed pursuant to Section 409A or Section 4999 of the IRC.

(h) Each KCET Plan or other plan, program, policy or arrangement that constitutes a “nonqualified deferred compensation plan” within the meaning of Treasury Regulation Section 1.409A-1(a)(i), to the extent then in effect, (i) was operated in material compliance with Section 409A of the IRC between January 1, 2005, and December 31, 2008, based upon a good faith, reasonable interpretation of Section 409A of the IRC, or (ii) was operated in material compliance with guidance issued by the IRS thereunder (including IRS Notice 2005-1), to the extent applicable and effective (clauses (i) and (ii), together, the “**409A Authorities**”); (iii) has been operated in material compliance with the 409A Authorities and the final Treasury Regulations issued thereunder since January 1, 2009; and (iv) has been in material documentary compliance with the 409A Authorities and the final Treasury Regulations issued thereunder since January 1, 2009.

4.20 Employees; Labor Matters.

(a) (i) KCET is not a party to or bound by any Collective Bargaining Agreement; (ii) since January 1, 2015, no labor union, labor organization or group of employees

of KCET has made a demand for recognition or certification, and there are, and since January 1, 2015, have been, no representation or certification proceedings or petitions seeking a representation Proceeding presently pending or threatened in writing to be brought or filed with the National Labor Relations Board or any other labor relations tribunal or authority with respect to any individuals employed by KCET; and (iii) except as would cause, individually or in the aggregate, a Material Adverse Effect, there are no ongoing or threatened union organization or decertification activities relating to employees of KCET, and no such activities have occurred since January 1, 2015. Since January 1, 2015, there has not occurred or, to the Knowledge of KCET, been threatened any strike or any slowdown, work stoppage, concerted refusal to work overtime, or other similar labor activity, union organizing campaign, or labor dispute against or involving KCET, except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. There is, and since January 1, 2015, there has been, no unfair labor practice complaint or grievance or other administrative or judicial complaint, charge, action or investigation pending or, to the Knowledge of KCET, threatened in writing against KCET by or before the National Labor Relations Board or any other Governmental Authority with respect to any present or former employee or independent contractor of KCET that had or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) Except as would not reasonably be expected to have a Material Adverse Effect, KCET has complied in all material respects with all applicable Laws relating to employment of labor, including all applicable Laws relating to wages, hours, collective bargaining, employment discrimination, civil rights, safety and health, workers' compensation, pay equity, classification of employees, immigration, and the collection and payment of withholding and/or Social Security Taxes. Schedule 4.20(b) sets forth an accurate, correct and complete list of all employees terminated (except with cause, by voluntarily departure or by normal retirement), laid off or subjected to a reduction of more than 50% in hours or work during the three full calendar months and the partial month preceding this representation and warranty.

(c) There are no Proceedings pending, or to KCET's Knowledge threatened, in connection with any employment-related matter. Schedule 4.20(c) identifies all Proceedings since January 1, 2015 regarding any employment-related matter.

4.21 Material Contracts.

(a) Schedule 4.21 sets forth, as of the date of this Agreement, a correct and complete list of each of the following types of Contracts to which KCET is a party, or by which any of its properties or assets is bound:

(i) Each Contract that (A) limits or restricts KCET from competing in any line of business or with any Person in any geographic region, (B) contains exclusivity obligations or restrictions binding on KCET, (C) requires KCET to conduct any business on a "most favored nations" basis with any third party, or (D) provides for rights of first refusal or offer or any similar requirement or right in favor of any third party in respect of any KCET asset that is material to KCET;

(ii) Each Contract that is a joint venture, partnership, limited liability company or similar agreement that is material to KCET;

(iii) Each Contract that is a loan, guarantee of indebtedness or credit agreement, note, bond, mortgage, indenture or other binding commitment (other than letters of credit) relating to indebtedness for borrowed money in an amount in excess of \$100,000;

(iv) Each Contract with respect to an interest, rate, currency, or other swap or derivative transaction with a fair market value in excess of \$100,000;

(v) Each Contract that is an acquisition agreement or a divestiture agreement or agreement for the sale, lease or license of any business or properties or assets of or by KCET (by merger, purchase or sale of assets or stock) entered into since January 1, 2015, or pursuant to which (A) KCET has any outstanding obligation to pay after the date of this Agreement consideration in excess of \$100,000 or (B) any other Person has the right to acquire any assets of KCET after the date of this Agreement with a fair market value or purchase price of more than \$100,000, excluding, in each case, (1) any Contract relating to Program Rights and (2) acquisitions or dispositions of supplies, inventory or products in connection with the conduct of KCET's business or of supplies, inventory, products, equipment, properties or other assets that are obsolete, worn out, surplus, or no longer used or useful in the conduct of the business of KCET;

(vi) Each Contract pursuant to which KCET has continuing "earn-out" or similar obligations that could result in payments in excess of \$100,000 in the aggregate;

(vii) Except with respect to PBS dues, any Contract relating to Program Rights under which it would reasonably be expected that KCET would make annual payments in excess of \$100,000 per year;

(viii) Except with respect to PBS membership, any network affiliation Contract or similar Contract;

(ix) Any Contract relating to cable or satellite transmission or retransmission;

(x) Any Contract that is a sharing agreement, and any related option agreement;

(xi) Any Contract that is a channel sharing agreement with a third party or parties with respect to the sharing of spectrum for the operation of two or more separately owned television stations;

(xii) Any material Contract with a Governmental Authority;

(xiii) Any material collective bargaining agreement or other material Contract with any labor organization;

(xiv) Any Contract not terminable at will by KCET for the employment of any executive officer or individual employee at the vice president level or above on a full-time, part-time or consulting basis with base compensation in excess of \$150,000;

(xv) Any Contract (other than those for Program Rights) pursuant to which KCET has sold or traded commercial air time in consideration for property or services with a value in excess of \$50,000 in lieu of or in addition to cash.

Each Contract of the type described in clauses (i) through (xv) is referred to herein as a **“KCET Material Contract.”**

(b) Except for any KCET Material Contract that has terminated or expired in accordance with its terms and except as has not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, each KCET Material Contract is valid and binding and in full force and effect and, to the Knowledge of KCET, is enforceable against the other Party or parties thereto in accordance with its terms, subject to the Enforceability Exceptions. Except for breaches, violations or defaults which have not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, neither KCET nor, to the Knowledge of KCET, any other party to a KCET Material Contract is in violation of or in default under any provision of such KCET Material Contract. True and complete copies of the KCET Material Contracts and any material amendments thereto have been made available to KOCE prior to the date of this Agreement.

4.22 No Additional Representations; Limitations on Warranties. Except for the representations and warranties expressly made by KCET in this Agreement, neither KCET nor any other Person makes any express or implied representation or warranty whatsoever or with respect to any information provided or made available in connection with the transactions contemplated by this Agreement, including any information, documentation, forecasts, budgets, projections or estimates provided by KCET or any Representative of KCET, including in any “data rooms” or management presentations, or the accuracy or completeness of any of the foregoing. KCET has conducted its own independent review and analysis of the business, operations, assets, liabilities, results of operations, financial condition and technology of KOCE and acknowledges that KCET has been provided access to personnel, properties, premises and records of KOCE for such purposes. In entering into this Agreement, except as expressly provided herein, KCET has relied solely upon its independent investigation and analysis of KOCE, and KCET acknowledges and agrees that it has not been induced by and has not relied upon any representations, warranties or statements, whether express or implied, made by KOCE or any of its directors, officers, stockholders, employees, affiliates, agents, advisors or Representatives that are not expressly set forth in this Agreement, whether or not such representations, warranties or statements were made in writing or orally. Notwithstanding Section 3.22(a) or any other provision, KCET (i) acknowledges and agrees that it has a duty and obligation to use commercially reasonable best efforts to make all disclosures required under this Agreement fully, completely and timely, and (ii) represents and warrants that it has or shall as of the Closing Date fulfill such duties and obligations.

ARTICLE V

COVENANTS OF KOCE AND KCET

5.1 Conduct of Parties. From the date of this Agreement until the earlier to occur of the Effective Time and the termination of this Agreement in accordance with Article VII, except as otherwise expressly permitted or expressly contemplated by this Agreement, as consented to in

writing by the other Party (such consent not to be unreasonably withheld, conditioned or delayed) or as required by applicable Law, each of KOCE and KCET shall (i) conduct its business in all material respects in the ordinary course of business consistent with past practices, (ii) use reasonable best efforts to maintain its respective FCC Licenses, and (iii) use its reasonable best efforts to preserve intact in all material respects its current business organization, ongoing businesses and significant relationships with third parties. Without limiting the generality of the foregoing, neither KOCE nor KCET shall:

(a) Amend its articles of incorporation, bylaws or other similar organizational documents (other than amendments to the organizational documents of any wholly owned Subsidiary that would not, or would not reasonably be expected to, prevent, materially delay or materially impair the consummation of the Merger or the transactions contemplated hereby);

(b) Make or commit to any capital expenditures in excess of \$100,000 individually or \$250,000 in the aggregate, except pursuant to its respective 2018 planned capital expenditures budget that has been previously provided;

(c) Make any acquisition (whether by merger, consolidation or acquisition of stock or assets) of any interest in any Person or any division or assets thereof other than purchases of assets in the ordinary course of business (for the avoidance of doubt, "ordinary course of business" shall include acquisitions of programming and broadcast rights but shall not include acquisitions of broadcast television stations);

(d) Sell, assign, license, lease, transfer, abandon or otherwise dispose of, or create any Lien on (other than any Permitted Lien) or otherwise dispose of, any of its respective assets, other than such sales, assignments, licenses, leases, transfers, Liens or other dispositions that are in the ordinary course of business and are not material to its respective business;

(e) Incur any indebtedness for borrowed money or guarantees thereof, other than intercompany indebtedness and borrowings in the ordinary course of business consistent with past practice under the Company's existing revolving credit facility;

(f) Make any loans, advances or capital contributions to, or investments in, any Person, except for ordinary course advancements and reimbursements to employees;

(g) Other than in the ordinary course of business consistent with past practices (including renewals consistent with the terms thereof) or as contemplated by this Agreement, (A) amend or modify in any material respect or terminate (excluding terminations or renewals upon expiration of the term thereof in accordance with the terms thereof) any Material Contract; (B) enter into any Contract that would constitute a Material Contract if in effect on the date hereof; (C) waive, release or assign any material rights, claims or benefits, or grant any material consent, under any Material Contract; and (D) consent to the termination of rights under a Material Contract except for the termination of any Material Contract pursuant to the terms thereof; provided that in no event shall KOCE or KCET take any action covered by this subsection (including in the ordinary course of business consistent with past practices, and including renewals consistent with the terms thereof) (1) with respect to any Material Contract (2) relating to cable or satellite

transmission or retransmission, (3) that is or would be a network affiliation agreement, or (4) that relates to the receiving or obtaining of Program Rights;

(h) Except as required by applicable Law, or except as required by the existing terms of any Benefit Plan or a Collective Bargaining Agreement in effect on the date hereof, (A) grant or increase any change-in-control, severance, retention or termination pay to any of its respective employees, officers, directors or independent contractors, or enter into or amend any employment, change-in-control, severance, retention or termination agreement with any such individual; (B) establish, adopt, amend or terminate any Benefit Plan (including any plan, agreement or arrangement that would be a Plan if in effect on the date hereof), including establishing, adopting or amending any incentive or bonus plan or program relating to performance periods beginning on or after the date hereof; (C) establish, adopt, amend or terminate any Collective Bargaining Agreement; (D) take any action to accelerate the vesting or payment, or fund or secure the payment, of compensation (including any equity-based compensation) or benefits under a Plan; (E) loan or advance any money or any other property to any of its respective current or former directors, officers, employees or independent contractors; (F) grant any increase in compensation, bonus, or other payments or benefits payable to any of its respective officers, directors, employees or independent consultants, except for (1) increases in base salaries or wages of less than 2% of base salary or wages on an individual basis that are made in the ordinary course consistent with past practice to any current employee, officer or director with an annual base salary of less than \$200,000, or (2) increases in compensation, bonus, or other payments or benefits in connection with a promotion or increase in responsibilities consistent with past practice; or (G) hire (or terminate other than for cause) any employees with an aggregate annual base compensation above \$150,000;

(i) Materially change its respective methods, principles or practices of financial accounting or its annual accounting period, except as required by GAAP (or any interpretation thereof) or by any Governmental Authority or applicable Law;

(j) (A) Materially change any method of tax accounting; (B) make or change any material election with respect to Taxes; (C) amend any of its respective federal income Tax returns in a manner that would materially increase its respective Taxes; (D) settle, or offer, propose or agree to settle, any claim or deficiency in respect of Taxes in excess of \$100,000, excluding for these purposes any agreement or settlement relating to a Tax item to the extent that such agreement or settlement does not exceed the reserves for such Tax item as reflected on its respective balance sheet; (E) enter into any closing agreement within the meaning of Section 7121 of the IRC (or any similar provision of state or local Law) with respect to a material amount of Taxes; (F) surrender any right to a material refund of Taxes; (G) consent to any extension or waiver of the limitation period applicable to any audit, assessment or claim for a material amount of income Taxes except in the ordinary course of business consistent with past practice; or (H) fail to timely pay any material Tax or file any material Tax return when due;

(k) Modify or accede to the modification of any of its respective FCC Licenses if doing so is reasonably likely to be materially adverse to the interests of the Combined Company after giving effect to the Merger in the operation of television broadcast stations, or fail to provide the other Party with a copy of (and a reasonable opportunity to review and comment on) any application for the modification of any of its respective FCC Licenses reasonably in advance of

filing with the FCC, except, in each case, as required by Law or as required in connection with the FCC Spectrum Auction;

(l) Apply to the FCC for any construction permit that would restrict in any material respect its respective station's operations, or make any material change in the assets of its respective station that is not in the ordinary course of business, except as may be necessary or advisable to maintain or continue effective transmission of the station's signals within the Party's respective service area as of the date hereof, except, in each case, as required by Law or as required in connection with the FCC Spectrum Auction;

(m) Settle, offer or propose to settle any Proceeding in excess of \$100,000 (excluding amounts paid by insurance and other amounts not paid out of pocket by the settling Party), or otherwise discharge, settle or satisfy any Proceeding, which discharge, settlement or satisfaction would reasonably be expected to materially limit or restrict the operation of the business of the Combined Company;

(n) Agree, resolve or commit to do any of the foregoing.

Each of KOCE and KCET acknowledges and agrees that (i) nothing contained in this Agreement shall give either of them, directly or indirectly, the right to control or direct the operations of the other prior to the Closing; (ii) prior to the Closing, each Party shall exercise, consistent with the terms and conditions of this Agreement, complete control and supervision over its operations; and (iii) notwithstanding anything to the contrary set forth in this Agreement, no consent of either Party shall be required with respect to any matter set forth in this Section 5.1 or elsewhere in this Agreement to the extent that the requirement of such consent would violate any applicable Law.

5.2 Access to Information.

(a) From and after the date of this Agreement until the earlier to occur of the Effective Time and the termination of this Agreement in accordance with Article VII upon reasonable advance notice and subject to applicable Law, each Party shall afford to the other Party, its affiliates, and its officers, agents, control persons, employees, consultants and professional advisors (including attorneys, accountants and financial advisors) ("**Representatives**") reasonable access during normal business hours to all of its properties, books, Contracts, commitments, records, officers and employees, and during such period each Party shall furnish to the other Party all other information concerning it, and each of their respective businesses, properties and personnel as the other Party may reasonably request, provided that the Party receiving such request may restrict the foregoing access and the disclosure of information to the extent that, in the good faith judgment of such Party, (i) any Law applicable to such Party requires such Party to restrict or prohibit access to any such properties or information, (ii) the information is subject to confidentiality obligations to a third party, (iii) disclosure of any such information or document could result in the loss of attorney-client privilege or (iv) such access would unreasonably disrupt the operations of such Party. Each Party shall use reasonable best efforts to make appropriate substitute disclosure arrangements under circumstances in which the restrictions of the preceding sentence apply.

(b) With respect to the information disclosed pursuant to Section 5.2(a), each of KOCE and KCET shall comply with, and shall cause such Party's Representatives to comply with, all of its obligations under the Confidentiality Agreement, which agreement shall remain in full force and effect in accordance with its terms.

5.3 Efforts.

(a) Subject to the terms and conditions of this Agreement, each of KOCE and KCET shall use its reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable under applicable Law to consummate and make effective the Merger and the other transactions contemplated by this Agreement as promptly as reasonably practicable after the date of this Agreement, including (i) preparing and filing, in consultation with the other Parties, as promptly as reasonably practicable, with any Governmental Authority or other third party all documentation to effect all necessary, proper or advisable filings, notices, petitions, statements, registrations, submissions of information, applications and other documents and (ii) obtaining and maintaining all approvals, consents, registrations, permits, authorizations and other confirmations required to be obtained from any Governmental Authority or other third party, in each case, that are necessary, proper or advisable to consummate and make effective the Merger and the other transactions contemplated by this Agreement (whether or not such approvals, consents, registrations, permits, authorizations and other confirmations are conditions to the consummation of the Merger pursuant to Article VI).

(b) In furtherance and not in limitation of the foregoing, each of KOCE and KCET shall make, as promptly as reasonably practicable, the FCC Applications with respect to the transactions contemplated by this Agreement, provided that the FCC Applications with respect to the Merger shall be made within 20 business days of the date of this Agreement, unless a later date is agreed to in writing by both KOCE and KCET. Each of KOCE and KCET shall supply as promptly as practicable and advisable any additional information and documentary material that may be requested pursuant to the foregoing, and to take all other actions necessary to cause the expiration or termination of the applicable waiting periods regarding the foregoing as soon as practicable. The Parties shall each pay 50% of the FCC filing fees, irrespective of whether the transactions contemplated by this Agreement are consummated.

(c) Except as prohibited by applicable Law or order, each of KOCE and KCET shall (i) cooperate and consult with each other in connection with any filing or submission with a Governmental Authority in connection with the transactions contemplated by this Agreement and in connection with any investigation or other inquiry by or before a Governmental Authority relating to the transactions contemplated by this Agreement, including any Proceeding initiated by a private party, including by allowing the other Party to have a reasonable opportunity to review in advance and comment on drafts of filings and submissions; (ii) promptly inform the other Party of (and if in writing, supply to the other Party) any substantive communication received by such Party from, or given by such Party to, the FCC, the California Attorney General or any other similar Governmental Authority, and of any material communication received or given in connection with any Proceeding by a private party, in each case regarding any of the transactions contemplated by this Agreement; (iii) consult with each other prior to taking any material position with respect to the filings under the FCC Rules in discussions with or filings to be submitted to any Governmental Authority; (iv) permit the other to review and discuss in advance, and consider in good faith the

views of the other in connection with, any analyses, presentations, memoranda, briefs, arguments, opinions and proposals to be submitted to any Governmental Authority with respect to filings under the FCC Rules and with the California Attorney General; and (v) coordinate with the other in preparing and exchanging such information, and promptly provide the other (and its counsel) with copies of all filings, presentations or submissions (and a summary of any oral presentations) made by such Party with any Governmental Authority relating to this Agreement or the transactions contemplated hereby under the Communications Act and the FCC Rules; provided that KCET shall be entitled to direct, in consultation with KOCE, the timing for making, and approve (such approval not to be unreasonably withheld) the content of, any filings with or presentations or submissions to any Governmental Authority relating to this Agreement or the transactions contemplated hereby and to take the lead in the scheduling of, and strategic planning for, any meetings with, and the conducting of negotiations with, any Governmental Authority relating to this Agreement or the transactions contemplated hereby.

(d) KOCE and KCET acknowledge that, to the extent reasonably necessary to expedite the grant by the FCC of any application of the FCC Consent, each of KOCE and KCET shall be permitted to enter into tolling agreements with the FCC to extend the statute of limitations for the FCC to determine or impose a forfeiture penalty against a Party in connection with (i) any pending complaints that such Party's station aired programming that contained obscene, indecent or profane material or (ii) any other enforcement matters against such Party's station with respect to which the FCC may permit a Party to enter into a tolling agreement.

(e) If the Closing shall not have occurred for any reason within the original effective periods of the FCC Consent, and neither Party shall have terminated this Agreement pursuant to the terms hereof, KOCE and KCET shall use their reasonable best efforts to obtain one or more extensions of the effective period of the FCC Consent to permit consummation of the transactions hereunder. Upon receipt of the FCC Consent, KOCE and KCET shall use their respective reasonable best efforts to maintain in effect the FCC Consent to permit consummation of the transactions hereunder. No extension of the FCC Consent shall limit the right of KOCE and KCET to terminate this Agreement pursuant to the terms hereof.

(f) Unless prohibited by applicable Law or order or by the applicable Governmental Authority, each of KOCE and KCET shall (i) to the extent reasonably practicable, not participate in or attend any meeting, or engage in any substantive conversation, with any Governmental Authority in respect of the Merger (including with respect to any of the actions referred to in Section 5.3(a)) without the other; (ii) to the extent reasonably practicable, give the other reasonable prior notice of any such meeting or conversation; and (iii) in the event one such Party is prohibited by applicable Law or order or by the applicable Governmental Authority from participating or attending any such meeting or engaging in any such conversation, keep the non-participating Party reasonably apprised with respect thereto.

(g) Subject to Section 5.3(h), each of KOCE and KCET shall use reasonable best efforts to take action to avoid or eliminate each and every impediment that may be asserted by any Governmental Authority with respect to the transactions contemplated by this Agreement so as to enable the Closing to occur as soon as reasonably practicable, including (i) the prompt use of its reasonable best efforts to avoid the entry of, or to effect the dissolution of, any permanent, preliminary or temporary order that would delay, restrain, prevent, enjoin or otherwise prohibit

consummation of the transactions contemplated by this Agreement, including (A) the defense through litigation on the merits of any claim asserted in any court, agency or other Proceeding by any Person, including any Governmental Authority, seeking to delay, restrain, prevent, enjoin or otherwise prohibit consummation of such transactions, and (B) the proffer and agreement by each Party that is the subject of a possible Proceeding of its willingness to take such other actions, and promptly to effect such other actions (and the entry into agreements with, and submission to orders of, the relevant Governmental Authority giving effect thereto, including the entry into hold-separate arrangements; terminating, assigning or modifying Contracts or portions thereof or other business relationships; accepting restrictions on business operations; and entering into commitments and obligations) (each an “**Approval Action**”), in each case if such action is necessary or advisable to avoid, prevent, eliminate or remove the actual, anticipated or threatened (1) commencement of any Proceeding in any forum or (2) issuance of any order that would delay, restrain, prevent, enjoin or otherwise prohibit consummation of the transactions contemplated by this Agreement by any Governmental Authority; and (ii) the prompt use of its reasonable best efforts to take, in the event that any permanent or preliminary order is entered or issued, or becomes reasonably foreseeable to be entered or issued, in any Proceeding or inquiry of any kind that would make consummation of the transactions contemplated by this Agreement in accordance with its terms unlawful or that would delay, restrain, prevent, enjoin or otherwise prohibit consummation of the transactions contemplated by this Agreement, any and all steps (including the appeal thereof and the posting of a bond) necessary to resist, vacate, modify, reverse, suspend, prevent, eliminate or remove such actual, anticipated or threatened order so as to permit such consummation on a schedule as close as possible to that contemplated by this Agreement.

(h) Notwithstanding anything herein to the contrary, nothing set forth in this Section 5.3 or otherwise in this Agreement shall:

(i) Require, or be construed to require, KOCE or KCET to take, or agree to take, any Approval Action unless such Approval Action shall be conditioned upon the consummation of the Merger;

(ii) Permit either Party to agree or consent to or approve (without the prior consent of the other Party, which need be granted only to the extent otherwise required hereunder) any Approval Action; or

(iii) Require or be construed to require any Party to agree to take or consent to the taking of any Approval Actions that would reasonably be expected to result in a “Materially Burdensome Condition.”

(i) For purposes of this Section 5.3, a “**Materially Burdensome Condition**” means any Approval Action that would reasonably be expected to result in a material adverse effect on the financial condition, properties, assets, business or results of operations or capital expenditures of the Combined Company, treating for this purpose the effects of all Approval Actions wherever imposed (KOCE or KCET), as if they affected a company the size of, and having the financial and operating metrics of, the Combined Company.

5.4 Public Announcements. The initial press release with respect to the execution of this Agreement and the transactions contemplated hereby shall be a joint press release which shall

be reviewed and approved by each Party. Thereafter, so long as this Agreement is in effect, neither KOCE nor KCET, nor any of their respective affiliates, shall issue or cause the publication of any press release or other public statement relating to the Merger or this Agreement without the prior written consent of the other Party, unless such Party determines, after consultation with outside counsel, that it is required by applicable Law to issue or cause the publication of any press release or other public announcement with respect to the Merger or this Agreement, in which event such Party shall provide, on a basis reasonable under the circumstances, an opportunity to the other Party to review and comment on such press release or other announcement in advance, and shall give reasonable consideration to all reasonable comments suggested thereto.

5.5 Notices of Certain Events. Each of KOCE and KCET shall promptly notify and provide copies to the other of (i) any material written notice from any Person alleging that the approval or consent of such Person is or may be required in connection with the Merger or the other transactions contemplated by this Agreement; (ii) any written notice or other communication from any Governmental Authority in connection with the Merger or the other transactions contemplated by this Agreement; (iii) any Proceeding or investigation commenced or, to its Knowledge, threatened against KOCE or KCET, as the case may be, that would be reasonably likely to (A) prevent or materially delay the consummation of the Merger or the other transactions contemplated hereby or (B) result in the failure of any condition to the Merger set forth in Article VI to be satisfied; or (iv) the occurrence of any event which would, or would be reasonably likely to, (A) prevent or materially delay the consummation of the Merger or the other transactions contemplated hereby, or (B) result in the failure of any condition to the Merger set forth in Article VI to be satisfied, provided that the delivery of any notice pursuant to this Section 5.5 shall not (i) affect or be deemed to modify any representation, warranty, covenant, right, remedy or condition to any obligation of any Party hereunder or (ii) update any section of a Party's Disclosure Schedule.

5.6 Employee Matters.

(a) For a period beginning on the Closing Date and continuing thereafter for twelve (12) months or, if shorter, the period of employment of the relevant employee (the "**Continuation Period**"), the Combined Company shall provide each employee (excluding any employees represented by labor unions and/or covered by the Collective Bargaining Agreements), as of immediately prior to the Effective Time who continues employment with the Combined Company following the Closing (the "**Continuing Employees**"), with (i) a base salary or other base cash compensation that is at least the same as, in the aggregate, the base salary or other base cash compensation that was provided to such Continuing Employee immediately prior to the Effective Time; (ii) short-term annual cash incentive compensation opportunities that are no less favorable than any short-term annual cash incentive compensation opportunities that were provided to such Continuing Employee immediately prior to the Effective Time; and (iii) employee benefits (including, but not limited to, any severance, retention, and any other termination pay and benefits plans, practices and policies applicable to each Continuing Employee) that are substantially comparable in the aggregate to those employee benefits as are provided to similarly situated employees of KOCE and KCET, respectively, immediately prior to the Effective Time. Notwithstanding the foregoing and except as provided for in Section 5.6(c), (i) the Combined Company shall cause to be maintained through December 31, 2018 those 2018 annual (or other short-term) cash incentive award programs covering the employees substantially in the form as in effect immediately prior to the Effective Time; and (ii) from and after the Effective Time, the

Combined Company shall, and shall cause the Combined Company to, honor the accrued and vested obligations of KOCE and KCET, respectively, as of the Effective Time under their respective Benefit Plans. The compensation and benefits for Continuing Employees who are covered by a Collective Bargaining Agreement shall be provided in accordance with the applicable Collective Bargaining Agreement as amended, extended or terminated from time to time in accordance with its terms and applicable Law.

(b) Prior to the Closing, KOCE and KCET, as applicable, shall use reasonable best efforts to comply in all material respects with all notice, consultation, effects bargaining or other bargaining obligations to any labor union, labor organization, works council or group of employees in connection with the Merger. Each of KOCE and KCET agrees to reasonably cooperate with the other in order to comply with such obligations.

(c) For purposes of eligibility, vesting, level of benefits and benefit accrual (but not for benefit accruals under defined benefit pension plans or post-retirement benefit plans) under the employee benefit plans, programs and arrangements established or maintained by KCET (including the Combined Company) in which Continuing Employees may become eligible to participate in after the Closing (the “**New Benefit Plans**”), each Continuing Employee shall be credited with the same amount of service as was credited by his or her respective employer immediately prior to the Effective Time under similar or comparable Benefit Plans in which such Continuing Employee participated immediately prior to the Effective Time (except to the extent such credit would result in a duplication of benefits or compensation). In addition, and without limiting the generality of the foregoing and subject to the terms and conditions of the applicable New Benefit Plans, (i) with respect to any New Benefit Plans in which the Continuing Employees may be eligible to participate following the Closing, each Continuing Employee shall be eligible to participate in such New Benefit Plans, without any waiting time, to the extent coverage under such New Benefit Plans replaces coverage under a similar or comparable Benefit Plan in which such Continuing Employee was participating immediately before such commencement of participation; and (ii) for purposes of each New Benefit Plan providing medical, dental, pharmaceutical and/or vision benefits to any Continuing Employee, the Combined Company shall use commercially reasonable efforts to, for the applicable plan year in which the Closing occurs, (A) cause all pre-existing condition exclusions and actively-at-work requirements of such New Benefit Plan to be waived for such Continuing Employee and his or her covered dependents, to the extent any such exclusions or requirements were waived or were inapplicable under any similar or comparable Benefit Plan in which such Continuing Employee participated immediately prior to the Effective Time, and (B) subject to the terms and conditions of the New Benefit Plans, the Combined Company shall use reasonable best efforts to cause any eligible expenses incurred by such Continuing Employee and his or her covered dependents during the portion of the plan year of the Benefit Plan ending on the date such Continuing Employee’s participation in the corresponding New Benefit Plan begins to be taken into account under such New Benefit Plan for purposes of satisfying all deductible, coinsurance and maximum out-of-pocket requirements applicable to such Continuing Employee and his or her covered dependents for the applicable plan year as if such amounts had been paid in accordance with such New Benefit Plan.

(d) Annual short-term cash bonuses in respect of the year that the Closing Date occurs, if any, shall be paid to employees of KOCE and KCET in amounts calculated on the basis of actual performance for the applicable performance period, determined and calculated in

substantially the same manner as with respect to prior performance periods, with such payments to be made as soon as practicable after the finalization of the audited financial statements for the applicable fiscal year (the “**Bonus Payment Date**”), provided, however, that if the employment of any such employee who is eligible for an annual short-term cash bonus is terminated by the Combined Company without “Cause” (as such term may be defined in the applicable Benefit Plan of the Combined Company) prior to the payment of the annual short-term cash bonus in respect of 2018, such employee shall be eligible to receive payment of an annual short-term cash bonus in respect of 2018, in an amount calculated on the basis of actual performance for the 2018 performance period determined and calculated in substantially the same manner as with respect to prior performance periods, with such amount to be prorated to reflect the portion of the 2018 performance period that the terminated employee was employed by KOCE, KCET or the Combined Company prior to the date of termination of employment and paid on the applicable Bonus Payment Date. In all cases covered by this Section 5.6(d), each of KOCE and KCET shall accrue such bonuses on its financial statements for each relevant period and shall make customary adjustments in the amount of such accruals in accordance with GAAP.

(e) The terms of this Section 5.6 are included for the sole benefit of the Parties and shall not confer any rights or remedies upon any Continuing Employee or former employee of KOCE or KCET, any participant or beneficiary in any Benefit Plan, or any other Person or Governmental Authority (whether as a third-party beneficiary or otherwise) other than the Parties hereto. Nothing contained in this Section 5.6 shall (i) constitute or be deemed to constitute establishment of or an amendment to or termination of any Benefit Plan or other compensation or benefit plan, policy, program, Contract or arrangement; (ii) obligate KOCE, KCET or the Combined Company to retain the employment or service of (or provide any term or condition of employment or service to) any particular employee or other Person; or (iii) prevent KOCE, KCET or the Combined Company from amending, modifying or terminating any Benefit Plan, New Benefit Plan or other benefit or compensation plan, policy, program, Contract or arrangement, to the extent such amendment, modification or termination is permitted by the terms of the applicable plan, policy, program, Contract or arrangement.

(f) As soon as practicable, but in no event later than thirty (30) days after the date hereof, the Parties shall make available to each other true and correct copies of preliminary Section 280G calculations (based on the assumptions set forth in the applicable calculations) with respect to each “disqualified individual” (within the meaning of Section 280G of the IRC) who is reasonably likely to receive payments or benefits in connection with the transactions contemplated by this Agreement that possibly would not be deductible under Section 280G of the IRC.

5.7 Exclusivity.

(a) From and after the date of this Agreement until the earlier to occur of the Effective Time and the termination of this Agreement in accordance with Article VII, and except as otherwise specifically provided for in this Agreement, each of KOCE and KCET shall not authorize or permit any of its officers, directors, employees or Representatives to, directly or indirectly, (i) solicit, initiate or knowingly encourage or knowingly facilitate any inquiry, proposal or offer which constitutes, or would reasonably be expected to lead to, a Competing Proposal; (ii) participate in any discussions or negotiations regarding, or furnish to any Person (other than each other, its respective affiliates and their respective Representatives), any nonpublic information

relating to itself in connection with any Competing Proposal; (iii) approve or recommend, or make any public statement approving or recommending, a Competing Proposal; (iv) enter into any letter of intent, merger agreement or other similar agreement providing for a Competing Proposal; or (v) resolve or agree to do any of the foregoing.

(b) Each of KOCE and KCET shall, and shall direct its Representatives immediately to, (i) cease any existing discussions or negotiations with any Person with respect to a Competing Proposal, (ii) terminate access for any Person (other than each other, their respective affiliates and their respective Representatives) to any data room, and (iii) request the return or destruction of any non-public information provided to any Person (other than each other, their respective affiliates and their respective Representatives) in connection with a potential Competing Proposal for acquisition.

5.8 Facilities. The Combined Company shall maintain at least one office in Los Angeles County and Orange County and officers and other personnel in such offices based upon the achievement of important business objectives. The Parties intend that the nucleus of the senior management team, including, without limitation, the Chief Executive Officer, the Chief Creative Officer and the Head of Scheduling/Acquisitions shall be primarily based in Los Angeles County, initially at KCET's current offices, or such successor location in Los Angeles County that may be selected by the Combined Company Board. Other senior officers may be based in Orange County and Los Angeles County, including KOCE's current principal office. The office network of the Combined Company (including without limitation the Downtown Los Angeles and Century City offices) shall be reviewed by management and a plan presented to the Combined Company Board within the first one hundred (100) days after the Closing Date to identify possible opportunities to eliminate redundancies. The legal home of the Combined Company shall be, for the foreseeable future, in Los Angeles County, initially at KCET's current offices.

5.9 Integration Plan. The Parties intend for the Combined Company to adhere as closely as reasonably possible to the integration plan attached hereto as **Exhibit G**.

ARTICLE VI

CONDITIONS TO CLOSING

6.1 Conditions to Obligations of Each Party. The obligations of KOCE and KCET to consummate the Merger are subject to the satisfaction, at or prior to the Closing, of the following conditions (which may be waived, in whole or in part, to the extent permitted by Law, by the mutual consent of KOCE and KCET):

(a) The FCC Consent shall have been granted by the FCC and shall be in effect as issued by the FCC or extended by the FCC.

(b) No Law or order (whether temporary, preliminary or permanent) shall have been promulgated, entered, enforced, enacted, issued or made applicable to the Merger by any Governmental Authority that prohibits, disapproves or makes illegal the consummation of the Merger.

(c) The California Attorney General shall have been provided with a copy of the proposed Merger Agreement at least twenty (20) days prior to the Closing and no negative response to such notice shall have been received.

(d) The PBS Dues Agreement, substantially in the form of agreement attached hereto as Exhibit H, shall have been fully executed and shall be in full force and effect without amendment, and neither Party shall have received notice that PBS intends to limit, rescind, amend or in any way modify the terms of such agreement.

(e) PBS shall have admitted the Combined Company to membership in PBS subject to observance by the Combined Company of the PBS Bylaws, policies, and conditions of any PBS services, and compliance with all financial obligations to PBS, as modified by the PBS Dues Agreement, entitling the Combined Company to all benefits of PBS membership as designated from time to time so long as it is a member in good standing.

(f) The PBS Statement re Content Production, a copy of which is attached hereto as Exhibit I, shall be in full force and effect, and neither Party shall have received notice that PBS intends to limit, rescind, amend, or in any way modify such statement.

(g) CPB shall not have notified either Party that the Parties' understanding as set forth in correspondence from the Parties regarding the type and amount of grants the Combined Company is eligible to receive, a form of which is attached hereto as Exhibit J, is incorrect or inconsistent with CPB's intentions.

(h) KOCE and KCET shall have obtained the necessary authorizations, approvals and/or consents as may be necessary to, as applicable: (i) assign, transfer or convey their rights and interests under the Contracts (including leases) listed in Schedule 3.16(e) (as to KOCE) and Schedule 4.16(e) (as to KCET), and the grants and pledges listed in Schedule 3.17 (as to KOCE) and Schedule 4.17 (as to KCET), to the Combined Company, (ii) continue to hold in and by the Combined Company such rights and interests under such Contracts, grants and pledges, including but not limited to the Combined Company's rights to continued payments under the five (5) grants awarded to KCET by [REDACTED], and any additional grants or grant extensions awarded to KCET therefrom, and (iii) allow the Combined Company to assume KOCE's rights and obligations under that certain Secured Promissory Note dated as of November 1, 2004 owed to the Coast Community College District.

6.2 Conditions to Obligations of KOCE. The obligations of KOCE to consummate the Merger are further subject to the satisfaction, at or prior to the Closing, of the following conditions (which may be waived, in whole or in part, to the extent permitted by Law, by KOCE):

(a) Representations and Warranties. (i) The representations and warranties of KCET contained in Sections 4.1, 4.2, 4.6 and 4.12 shall be true and correct in all respects at and as of the Closing, as if made at and as of the Closing (except representations and warranties that by their terms speak specifically as of another specified time, in which case as of such time); and (ii) all other representations and warranties of KCET contained in Article IV shall be true and correct in all respects at and as of the Closing, as if made at and as of the Closing (except any such representations and warranties that by their terms speak specifically as of another specified time,

in which case as of such time), except where the failure of the representations and warranties referred to in this clause (ii) to be so true and correct has not had, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) Performance of Obligations of KCET. KCET shall have performed in all material respects its covenants and obligations under this Agreement required to be performed by it at or prior to the Closing.

(c) No KCET Material Adverse Effect. Since the date of this Agreement, there shall not have been any effect, change, condition, fact, development, occurrence or event that, individually or in the aggregate, has had or would be reasonably likely to have a Material Adverse Effect on KCET.

(d) Board of Directors. KCET shall have delivered to KOCE a final listing of the names of the individuals selected by KCET to serve on the Combined Company Board including the term of years that each selected individual shall serve and its three appointments to the Combined Company Board Executive Committee.

(e) KCET Certificate. KCET shall have delivered to KOCE a certificate signed by an executive officer of KCET certifying on behalf of KCET, and not in such officer's personal capacity, that the conditions set forth in Sections 6.2(a), 6.2(b), 6.2(c), and 6.2(d) have been satisfied.

6.3 Conditions to Obligations of KCET. The obligations of KCET to consummate the Merger are further subject to the satisfaction, at or prior to the Closing, of the following conditions (which may be waived, in whole or in part, to the extent permitted by Law, by KCET):

(a) Representations and Warranties. The representations and warranties of KOCE (i) contained in Sections 3.1, 3.2, 3.6 and 3.12 shall be true and correct in all respects at and as of the Closing as if made at and as of the Closing (except representations and warranties that by their terms speak specifically as of another specified time, in which case as of such time); and (ii) all other representations and warranties of KOCE contained in Article III shall be true and correct in all respects at and as of the Closing as if made at and as of the Closing (except any such representations and warranties that by their terms speak specifically as of another specified time, in which case as of such time), except where the failure of the representations and warranties referred to in this clause (ii) to be so true and correct has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) Performance of Obligations of KOCE. KOCE shall have performed in all material respects its covenants and obligations under this Agreement required to be performed by it at or prior to the Closing.

(c) No KOCE Material Adverse Effect. Since the date of this Agreement, there shall not have been any effect, change, condition, fact, development, occurrence or event that, individually or in the aggregate, has had or would be reasonably likely to have a Material Adverse Effect on KOCE.

(d) Board of Directors. KOCE shall have delivered to KCET a final listing of the names of the individuals selected by KOCE to serve on the Combined Company Board including the term of years that each selected individual shall serve and its three appointments to the Combined Company Board Executive Committee.

(e) KOCE Certificate. KOCE shall have delivered to KCET a certificate signed by an executive officer of KOCE certifying on behalf of KOCE, and not in such officer's personal capacity, that the conditions set forth in Sections 6.2(a), 6.2(b), 6.2(c) and 6.2(d) have been satisfied.

ARTICLE VII

TERMINATION

7.1 Termination. This Agreement may be terminated at any time prior to the Closing Date:

- (a) by mutual written consent of KOCE and KCET;
- (b) by either KOCE or KCET,

(i) If the Effective Time shall not have occurred on or before June 30, 2018 ("**Initial End Date**"), provided that if on the Initial End Date any of the conditions set forth in Section 6.1(a), (b) or (c) shall not have been satisfied but all other conditions set forth in Article VI shall have been satisfied or waived, or shall then be capable of being satisfied, then the Initial End Date shall be automatically extended to September 30, 2018 (the "**Second End Date**"). As used in this Agreement, the term "End Date" shall mean the Initial End Date, unless extended pursuant to the foregoing sentence, in which case the term "End Date" shall mean the Second End Date. Notwithstanding the foregoing, the right to terminate this Agreement under this Section 7.1(b)(i) shall not be available to a Party if the failure of the Effective Time to occur before the End Date was primarily due to such Party's breach of any of its obligations under this Agreement, or

(ii) If there shall have been issued an order by a Governmental Authority of competent jurisdiction permanently prohibiting the consummation of the Merger, and if such order shall have become final and non-appealable, provided that the Party seeking to terminate this Agreement under this Section 7.1(b)(ii) shall have used its reasonable best efforts to have such order lifted;

(c) by KOCE, if KCET shall have breached or failed to perform any of its (A) representations or warranties or (B) covenants or agreements set forth in this Agreement, in each case which breach or failure to perform (1) would give rise to the failure of a condition to the Merger set forth in Section 6.2(a) or Section 6.2(b) and (2) is incapable of being cured by KCET during the 30-day period after written notice from KCET of such breach or failure to perform, or, if capable of being cured during such 30-day period, shall not have been cured by the earlier of the end of such 30-day period and the End Date, provided that if such breach or failure to perform is capable of being cured by KCET and KCET ceases using reasonable best efforts to cure such breach or failure to perform following written notice from KOCE, KOCE shall have the right to

terminate this Agreement pursuant to this Section 7.1(c), and provided further that KOCE shall not have the right to terminate this Agreement pursuant to this Section 7.1(c) if KOCE is then in breach of any of its representations, warranties, covenants or agreements such that KCET has the right to terminate this Agreement pursuant to Section 7.1(d); or

(d) by KCET, if KOCE shall have breached or failed to perform any of its (A) representations or warranties or (B) covenants or agreements set forth in this Agreement, in each case which breach or failure to perform (1) would give rise to the failure of a condition to the Merger set forth in Section 6.3(a) or Section 6.3(b) and (2) is incapable of being cured by KOCE during the 30-day period after written notice from KCET of such breach or failure to perform, or, if capable of being cured during such 30-day period, shall not have been cured by the earlier of the end of such 30-day period and the End Date, provided that if such breach or failure to perform is capable of being cured by KOCE and KOCE ceases using reasonable best efforts to cure such breach or failure to perform following written notice from KCET, KCET shall have the right to terminate this Agreement pursuant to this Section 7.1(d), and provided further that KCET shall not have the right to terminate this Agreement pursuant to this Section 7.1(d) if KCET is then in breach of any of its representations, warranties, covenants or agreements such that KOCE has the right to terminate this Agreement pursuant to Section 7.1(c).

7.2 Effect of Termination. In the event of the termination of this Agreement by either KOCE or KCET as provided in Section 7.1, written notice thereof shall forthwith be given by the terminating Party to the other Party, specifying the provision hereof pursuant to which such termination is made. In the event of the termination of this Agreement in compliance with Section 7.1, this Agreement shall be terminated and shall forthwith become void and have no effect, without any liability or obligation on the part of any Party (or any director, officer, employee, agent, consultant or Representative of such Party), other than the Confidentiality Agreement, this Section 7.2, Section 7.3 and Article VIII, which provisions shall survive such termination, provided, however, that (subject to the limitations set forth in Section 8.12), nothing in this Section 7.2 shall relieve any Party from liability for Willful Breach of this Agreement prior to such termination or the requirement to make the payments set forth in Section 7.3. No termination of this Agreement shall affect the obligations of the Parties contained in the Confidentiality Agreement.

7.3 Termination Fees.

(a) Termination Fee Amount. In the event this Agreement is terminated by either KCET or KOCE pursuant to Section 7.1(c) or Section 7.1(d), respectively, then the other Party, as applicable, shall, following such termination, pay by wire transfer of immediately available funds, a termination fee to the other Party in the amount of \$500,000 (the “**Termination Fee**”).

(b) Termination Fee as Liquidated Damages. The Parties acknowledge that (i) the agreements contained in this Section 7.3 are an integral part of the transactions contemplated by this Agreement; (ii) the Termination Fee is not a penalty, but represents liquidated damages in a reasonable amount that shall compensate the receiving Party in the circumstances in which such fee is payable for the efforts and resources expended and opportunities forgone while negotiating this Agreement and in reliance on this Agreement and on the expectation of the consummation of

the transactions contemplated hereby, which amount would otherwise be impossible to calculate with precision; and (iii) without these agreements, the Parties would not enter into this Agreement. Accordingly, if either Party fails to timely pay any amount due pursuant to Section 7.3(a), and if, in order to obtain such payment, a Party commences a suit that results in a judgment for any amount due pursuant to Section 7.3(a), then the Party subject to such judgment shall pay the other Party its reasonable and documented out-of-pocket costs and expenses (including reasonable attorneys' fees and expenses) in connection with such suit, together with interest on the amount due pursuant to Section 7.3(a) from the date such payment was required to be made until the date of payment at the annual rate of five percent (5%) plus the prime lending rate as published in *The Wall Street Journal* in effect on the date such payment was required to be made (or such lesser rate as is the maximum permitted by applicable Law). Any and all payments under this Section 7.3 shall be made by wire transfer of immediately available funds to an account designated in writing by KOCE or KCET, as applicable. In no event shall a Termination Fee be payable more than once.

(c) Exclusive Remedy. Notwithstanding anything in this Agreement to the contrary, subject to Section 8.12(b) and other than in the case of Willful Breach or fraud, in the event that this Agreement is terminated under circumstances where a Termination Fee is payable pursuant to Section 7.3(a), the payment of the Termination Fee, as appropriate, shall be the sole and exclusive remedy against the Party paying the Termination Fee and any of its respective former, current or future directors, officers, employees, affiliates or Representatives, for all losses and damages suffered as a result of the failure of the transactions contemplated by this Agreement to be consummated, or for a breach or failure to perform hereunder or otherwise, and upon payment of such amount, no Party (nor its respective affiliates) shall have any further liability or obligation relating to or arising out of this Agreement or the transactions contemplated hereby.

ARTICLE VIII

MISCELLANEOUS

8.1 No Survival of Representations and Warranties. None of the representations, warranties, covenants and agreements in this Agreement, or in any schedule, certificate, instrument or other document delivered pursuant to this Agreement, shall survive the Effective Time or, except as provided in Section 7.2, the termination of this Agreement pursuant to Section 7.1, as the case may be. This Section 8.1 shall not limit any covenant or agreement of the Parties which by its terms contemplates performance after the Effective Time; provided, however, that the activities and affairs of the Combined Company shall be conducted and all corporate powers shall be exercised by or under the direction of the Combined Company Board in accordance with section 5210 of the CNCL.

8.2 Amendment and Modification. Subject to applicable Law, this Agreement may be amended, modified or supplemented in any and all respects by written agreement of the Parties at any time prior to the Effective Time with respect to any of the terms contained herein. A termination of this Agreement pursuant to Section 7.1, or an amendment or waiver of this Agreement pursuant to this Section 8.2 or Section 8.3, shall, in order to be effective, require action by the respective Board of Directors (or an authorized committee thereof) of each Party.

8.3 Extension; Waiver. At any time prior to the Effective Time, subject to applicable Law, either Party may (i) extend the time for the performance of any of the obligations or other acts of the other Party, (ii) waive any inaccuracies in the representations and warranties of the other Party contained in this Agreement or in any document delivered pursuant to this Agreement, or (iii) waive compliance by the other Party with any of the agreements or conditions contained in this Agreement. Any agreement on the part of a Party to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such Party. The failure of any Party to assert any of its rights under this Agreement or otherwise shall not constitute a waiver of such rights, nor shall any single or partial exercise by any Party of any of its rights under this Agreement preclude any other or further exercise of such rights or any other rights under this Agreement.

8.4 Expenses. Except as otherwise provided herein, all costs and expenses incurred in connection with this Agreement shall be paid by the Party incurring such cost or expense.

8.5 Disclosure Schedule References. All capitalized terms not defined in the KOCE Disclosure Schedule or the KCET Disclosure Schedule (as applicable, the “**Disclosure Schedule**”) shall have the meanings assigned to them in this Agreement. The Disclosure Schedule shall, for all purposes of this Agreement, be arranged in numbered and lettered parts and subparts corresponding to the numbered and lettered sections and subsections contained in this Agreement. Each item disclosed in the Disclosure Schedule shall constitute an exception to or, as applicable, disclosure for the purposes of, the representations and warranties (or covenants, as applicable) to which it makes express reference, and shall also be deemed to be disclosed or set forth for the purposes of every other part in the Disclosure Schedule relating to the representations and warranties (or covenants, as applicable) set forth in this Agreement, to the extent a cross-reference within the Disclosure Schedule is expressly made to such other part in the Disclosure Schedule, as well as to the extent that the relevance of such item as an exception to or, as applicable, disclosure for purposes of such other section of this Agreement is reasonably apparent from the face of such disclosure. The listing of any matter on the Disclosure Schedule shall not be deemed to constitute an admission by KOCE or KCET, as applicable, or to otherwise imply that any such matter is material; is required to be disclosed by KOCE or KCET, as applicable, under this Agreement; or falls within relevant minimum thresholds or materiality standards set forth in this Agreement. No disclosure in the Disclosure Schedule relating to any possible breach or violation by KOCE or KCET, as applicable, of any Contract or Law shall be construed as an admission or indication that any such breach or violation exists or has actually occurred. In no event shall the listing of any matter in the Disclosure Schedule be deemed or interpreted to expand the scope of the representations, warranties, covenants or agreements set forth in this Agreement.

8.6 Additional Actions; Documents and Information. The Parties agree that, at any time prior to, at or after the Closing Date, they shall take or cause to be taken such further actions, and shall execute, deliver and file or cause to be executed, delivered and filed such further documents and instruments, and shall obtain such consents, as may be reasonably requested by either Party in connection with the consummation of the Merger, provided, however, that neither Party shall be required to take any actions that would have a Material Adverse Effect upon it or to extend the term of this Agreement beyond the first anniversary of the execution of this Agreement.

8.7 Notices. All notices, demands, requests or other communications which may be or are required to be given or made by any Party to the other Party pursuant to this Agreement shall be in writing and shall be (i) hand delivered, (ii) mailed by first-class registered or certified mail, return receipt requested, postage prepaid, (iii) delivered by overnight air courier, or (iv) transmitted by telegram, telex or facsimile, addressed as follows:

If to KOCE:

Andrew Russell
President and Chief Executive Officer
KOCE Foundation
3080 Bristol Street, Suite 100
Costa Mesa, California 92624
Phone: (714) 241-4102
Fax:
Email: arussell@pbsocal.org

With a copy to:

Seyfarth Shaw LLP
333 S. Hope Street, Suite 3900
Los Angeles, California 90071-1406
Phone: (213) 270-9668
Fax: (310) 551-8429
Email: olion@seyfarth.com
Attention: Ofer Lion

If to KCET:

June M. Baldwin
Senior Vice President, General Counsel
KCET
2900 West Alameda Avenue, 6th Floor
Burbank, CA 91505
Phone: (747) 201-5295
Fax: (747) 201-5870
Email: jmbaldwin@kcet.org

With a copy to:

Manatt, Phelps & Phillips, LLP
11355 West Olympic Blvd.
Los Angeles, CA 90064
Phone: (310) 312-4205
Fax: (310) 914-5772

Email: gbava@manatt.com
Attention: Gordon Bava

or to such other address as the addressee may indicate by written notice to the other parties. Each notice, demand, request or communication which shall be given or made in the manner described above shall be deemed sufficiently given or made for all purposes at such time as it is delivered to the addressee (with the return receipt, the delivery receipt, the affidavit of messenger or, with respect to a telex, the answer back being deemed conclusive but not exclusive evidence of such delivery) or at such time as delivery is refused by the addressee upon presentation.

8.8 Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, it being understood that each Party need not sign the same counterpart. This Agreement shall become effective when each Party shall have received a counterpart hereof signed by all of the other Parties. Signatures delivered electronically or by facsimile shall be deemed to be original signatures.

8.9 Entire Agreement; No Third-Party Beneficiaries. This Agreement (including the Exhibits hereto and the documents and the instruments referred to herein), the KOCE Disclosure Schedule, the KCET Disclosure Schedule and the Confidentiality Agreement (i) constitute the entire agreement and supersede all prior agreements and understandings, both written and oral, between KOCE and KCET with respect to the subject matter hereof and thereof, provided that (A) any provisions of the Confidentiality Agreement conflicting with this Agreement shall be superseded by this Agreement and (B) all standstill or similar provisions set forth in the Confidentiality Agreement shall terminate and no longer be in effect upon execution and delivery hereof and (ii) are not intended to and do not confer any rights, benefits, remedies, obligations or liabilities upon any Person other than the Parties and their respective successors and permitted assigns.

8.10 Severability. If any term or other provision of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void, unenforceable or against its regulatory policy, the remainder of the terms and provisions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated, so long as the economic and legal substance of the transactions contemplated hereby, taken as a whole, are not affected in a manner materially adverse to any Party. Upon such a determination, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

8.11 Assignment. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the Parties in whole or in part (whether by operation of Law or otherwise) without the prior written consent of the other Parties, and any such assignment without such consent shall be null and void. This Agreement shall be binding upon, inure to the benefit of, and be enforceable by the Parties and their respective successors and permitted assigns.

8.12 Governing Law; Enforcement.

(a) This Agreement shall be governed by, and construed in accordance with, the Laws of the State of California, without giving effect to conflicts-of-laws principles that would result in the application of the Law of any other state.

(b) The rights and remedies of the Parties shall be cumulative with and not exclusive of any other remedy conferred hereby. The Parties agree that irreparable damage would occur and that the Parties would not have any adequate remedy at law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to an injunction or injunctions to prevent breaches or threatened breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement, including the obligations to consummate the Merger, without proof of actual damages (and each Party hereby waives any requirement for the securing or posting of any bond in connection with such remedy), this being in addition to any other remedy to which they are entitled at Law or in equity. The Parties' rights in this Section 8.12 are an integral part of the transactions contemplated hereby, and each Party hereby waives any objections to any remedy referred to in this Section 8.12.

(c) In addition, each of the Parties (i) consents to submit itself, and hereby submits itself, to the personal jurisdiction of the Superior Court of the State of California located in the County of Los Angeles or the County of Orange and any federal court located in the County of Los Angeles or the County of Orange, State of California, in the event any dispute arises out of this Agreement or any of the transactions contemplated by this Agreement; (ii) agrees that it shall not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court, and agrees not to plead or claim any objection to the laying of venue in any such court, or that any judicial Proceeding in any such court has been brought in an inconvenient forum; (iii) agrees that it shall not bring any action relating to this Agreement or any of the transactions contemplated by this Agreement in any court other than the Superior Court of the State of California located in the County of Los Angeles or the County of Orange or any federal court located in the County of Los Angeles or the County of Orange, State of California; and (iv) consents to service of process being made through the notice procedures set forth in Section 8.7.

8.13 Recitals. The Recitals are incorporated herein by reference and shall be deemed to be a part of this Agreement; provided, however, for the avoidance of doubt, that the bulleted items in the sixth Recital express the findings of KOCE and KCET's respective senior management and boards but do not constitute enforceable, operative provisions of this Agreement.

8.14 WAIVER OF JURY TRIAL. EACH OF THE PARTIES HEREBY KNOWINGLY, INTENTIONALLY AND VOLUNTARILY IRREVOCABLY WAIVES ANY AND ALL RIGHTS TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

(Signature page(s) follows)

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized Representatives on the date referenced above.

KCETLINK

By: Rich Cook
Richard Cook
Chairman of the Board

KOCE-TV FOUNDATION

By: James McCluney
James McCluney
Chairman of the Board