

RIGHT OF FIRST REFUSAL AGREEMENT

_____, 2002

Long Island Educational TV Council, Inc.
303 Sunnyside Blvd.
Plainview, NY 11803
Attention: Terrel Cass

Ladies and Gentlemen:

Reference is hereby made to the Amended and Restated Asset Acquisition and Operating Agreement, dated as of August 7, 2002 (the "Acquisition Agreement"), between Educational Broadcasting Corporation ("EBC") and Long Island Educational TV Council, Inc. ("LIETV"). All capitalized terms used herein and not otherwise defined shall have the meanings given them in the Acquisition Agreement.

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned hereby agree as follows:

1. Right of First Refusal. (a) Without limiting the provisions of Section 5.3(a) of the Acquisition Agreement, prior to any Sale by EBC (excluding, for the avoidance of doubt, any sale, lease, exchange, or disposition or change of control of EBC itself or all or substantially all of its assets), so long as LIETV is in existence (whether or not it has been deemed pursuant to Section 5.5 of the Acquisition Agreement to have dissolved), EBC shall deliver to LIETV written notice (the "Offer Notice") of a definitive offer relating to a Sale, which notice shall state (i) the name of the proposed transferee, (ii) the proposed Sale price therefor, including a description of any non-cash consideration sufficiently detailed to permit the determination of the fair market value thereof and (iii) the other material terms and conditions of the proposed Sale, including, without limitation, a good faith estimate of the period of time anticipated between the signing of a definitive agreement relating to the proposed Sale and the closing thereof (the "Closing Period").

(b) Following receipt of the Offer Notice, LIETV shall have the option, but not the obligation, to effect a Sale to LIETV by EBC on the same terms and conditions as applicable to the proposed Sale, including, without limitation, the same Sale price set forth in the Offer Notice (provided that, if any portion of the proposed Sale price was to be paid in non-cash consideration, LIETV would be permitted to pay the fair market value of such non-cash consideration in lieu of such portion of the proposed Sale price) and a Closing Period estimated in good faith to be the same or shorter than that set forth in the Offer Notice. If LIETV elects to effect such a Sale, LIETV shall provide written notice to EBC of its intent to do so (the "Acceptance Notice") not later than one year following receipt by LIETV of the Offer Notice. LIETV and EBC shall use their respective best efforts to negotiate in good faith and to enter into a definitive agreement not later than the earlier to occur of (x) three months following delivery of the Acceptance Notice to EBC or (y) 13 months following receipt by LIETV of the Offer Notice, and to consummate the Sale contemplated thereby as promptly as practicable following receipt

by EBC of the Acceptance Notice, subject to prior approval from the Federal Communications Commission and any other required governmental approvals, which approvals shall be prosecuted by LIETV and EBC with all reasonable diligence and LIETV and EBC shall otherwise use their best efforts to obtain such approvals as expeditiously as possible. LIETV's rights under this paragraph 1(b) shall not be assignable in whole or in part to any other person or entity; provided, however, that LIETV shall not be prohibited from assigning its rights under this paragraph 1(b) to a person that is under the control of, controlled by, or under common control with, LIETV in connection with a bona fide exercise by LIETV of its rights hereunder.

(c) In the event that LIETV does deliver to EBC an Acceptance Notice, EBC shall provide to LIETV access to information related to WLIW or the Station Assets on comparable terms as those provided for in Section 6.5 of the Acquisition Agreement.

(d) If LIETV does not deliver to EBC an Acceptance Notice within the one-year period specified in paragraph 1(b) above or if, following delivery to EBC of an Acceptance Notice, a definitive agreement relating to a proposed Sale to LIETV by EBC is not entered into between LIETV and EBC within the period specified in such paragraph (so long as EBC has used its best efforts to negotiate such a definitive agreement in good faith) or if a definitive agreement relating to a Sale to LIETV by EBC is subsequently terminated or if LIETV and EBC do not otherwise complete the Sale contemplated thereby (in each case not as a result of any material breach by EBC of such definitive agreement), then LIETV shall be deemed to have waived the right to effect a Sale with EBC. If LIETV fails to exercise or waives its right to effect a Sale with EBC, EBC shall be free, for a one-year period commencing on the date of the waiver or deemed waiver by LIETV of such right, to enter into a definitive agreement with any third party to effect a Sale on terms (including, without limitation, all terms affecting price) equivalent to or better than the terms set forth in the Offer Notice, it being understood, however, that if the definitive agreement with such third party is subsequently terminated, or if EBC does not otherwise complete the Sale, EBC shall once again be subject to this paragraph 1.

(e) Other than in the case of a deemed waiver pursuant to paragraph 1(d) above, LIETV's rights under paragraph 1(b) above may only be waived after a vote of at least two-thirds of the members of the LIETV Board.

(f) For purposes of this paragraph 1, the fair market value of any non-cash consideration shall be determined in good faith by LIETV and EBC or, if the Parties are unable to agree, by an appropriate expert mutually selected by the Parties and if the Parties cannot mutually agree on an expert, each Party shall select an expert and those experts shall select an independent expert to resolve the dispute.

(g) If EBC sells, leases, exchanges or otherwise disposes or effects a change of control of EBC itself or all or substantially all of its assets, EBC shall cause the purchaser of EBC or of its assets, as the case may be, to agree to fulfill and honor the terms and provisions of this letter agreement as they apply to EBC.

2. Limitation on Activities and Fundraising. Until the first anniversary of the Closing, for as long as LIETV maintains its corporate existence or use of the name "Long Island

Educational TV Council” or “LIETV”, it agrees to be subject to the following terms and conditions:

(a) LIETV agrees and covenants to limit its activities to (i) fundraising and grantmaking to support WLIW and related EBC projects and (ii) the exercise of its rights under the provisions of and subject to this letter agreement, the Acquisition Agreement and any other agreements entered into between EBC and LIETV. In no event shall the foregoing sentence of this paragraph 2(a) require LIETV to return any payment received from EBC pursuant to clause (c) of the second sentence of Section 9.3 of the Acquisition Agreement, which payment shall be used, subject to Treasury regulations under the Internal Revenue Code, to support any public or educational television broadcasting facilities or public or educational television programming accessible to residents of the State of New York.

(b) All fundraising activities conducted by LIETV shall be coordinated with EBC and conducted under the supervision of the Vice President of Development (or any successor thereto should such title or position change) of EBC. EBC will have the right to approve or disapprove any and all material decisions regarding fundraising events, public appeals, or targeted solicitations.

3. No Retention of Rights. It is expressly agreed that in the event that at any time after the Closing Date LIETV shall cease to be in existence, having dissolved pursuant to §§ 1001, 1101 or 1102 of the N-PCL (but disregarding any deemed dissolution pursuant to Section 5.5 of the Acquisition Agreement), all of the rights and benefits conferred on LIETV by paragraph 1 of this letter agreement shall become null and void and of no further force or effect.

4. Notices. Any notice, request, demand or other communication permitted or required to be given hereunder shall be in writing and shall be deemed to have been given when such notice shall have been made in compliance with Section 9.2 of the Acquisition Agreement.

5. Assignment. Except as set forth herein, the provisions of this letter agreement shall not be assignable in whole or in part by either Party.

6. Amendments. The provisions of this letter agreement may be amended, supplemented or otherwise modified only by a written instrument executed by the parties hereto.

7. No Waiver. No waiver by either party of any of the provisions hereof shall be effective unless explicitly set forth in writing and executed by the party so waiving. No waiver shall constitute a waiver by such person of such provision or any other provision of this letter agreement in any other instance. The waiver by either party hereto of a breach of any provision of this letter agreement shall not operate or be construed as a waiver of any subsequent breach.

8. Counterparts. This letter agreement may be executed in counterparts and all counterparts so executed shall for all purposes constitute one agreement, binding on both of the Parties hereto, notwithstanding that both Parties shall not have executed the same counterpart. Faxed copies of signatures shall be valid and binding for all purposes.

9. Governing Law. The provisions of this letter agreement shall be governed by and construed in accordance with the laws of the State of New York.

10. Severability. If any provision of this letter agreement shall be declared by any court of competent jurisdiction to be illegal, void or unenforceable, all other provisions of this letter agreement shall not be affected and shall remain in full force and effect.

11. Binding Effect; No Third Party Beneficiaries. The provisions of this letter agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors. Nothing in this letter agreement, expressed or implied, is intended to confer on any person other than the parties hereto or their respective successors, any rights, remedies, obligations or liabilities under or by reason of this letter agreement.

12. Remedies Upon Default. Except as otherwise specified in paragraph 13, the Parties recognize and hereby acknowledge that upon a default of a provision of this letter agreement, the Parties shall only be entitled to obtain specific performance of the provisions of this letter agreement. Each Party covenants and agrees that it shall not assert in any court or other proceeding that injunctive relief is an inappropriate remedy for breach of any provision of this letter agreement.

13. Indemnity. EBC agrees to indemnify and hold LIETV harmless against and in respect of any claim, cost, loss, liability or damage (including reasonable attorney's fees and expenses) incurred or sustained by LIETV as a result of a breach of EBC's obligations hereunder to the extent that (i) a court of competent jurisdiction has entered a final and non-appealable judgment holding EBC liable for a default of a term of this letter agreement or (ii) the Parties hereto have so provided pursuant to a written settlement agreement.

14. Effect of Headings. The subject headings of the paragraphs of this letter agreement are included for purposes of convenience only and shall not affect the construction or interpretation of this letter agreement.

Very truly yours,

EDUCATIONAL BROADCASTING
CORPORATION

By: _____

Name: Steven Rattner

Title: Chairman

By: _____

Name: William F. Baker

Title: President and Chief Executive Officer

Acknowledged and Accepted:

LONG ISLAND EDUCATIONAL
TV COUNCIL, INC.

By: _____

Name: Barry R. Shapiro

Title: Chairman

By: _____

Name: Terrel L. Cass

Title: President and General Manager

cc: Gibson, Dunn & Crutcher LLP
200 Park Avenue
New York, NY 10166
Attention: Scott A. Kislin, Esq.

Simpson Thacher & Bartlett
425 Lexington Avenue
New York, NY 10017
Attention: Victoria B. Bjorklund, Esq.