

EXHIBIT A

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE

In re:)	Chapter 11
PEGASUS SATELLITE TELEVISION, INC., et al.,)	Case No. 04-_____
Debtors.)	(Jointly Administered)

**AFFIDAVIT BY MARC D. PUNTUS
IN SUPPORT OF APPLICATION FOR ORDER AUTHORIZING
THE DEBTORS AND DEBTORS-IN-POSSESSION TO EMPLOY
MILLER BUCKFIRE LEWIS YING & CO., LLC AS FINANCIAL ADVISOR
AND INVESTMENT BANKER PURSUANT TO 11 U.S.C. §§ 327(a) AND 328(a)**

I, Marc D. Puntus, being duly sworn, hereby deposes and says:

1. I am a Managing Director of Miller Buckfire Lewis Ying & Co., LLC (“MBLY”), a financial advisory services firm with its principal office located at 250 Park Ave, New York, NY 10177. I am duly authorized to make this Affidavit on behalf of MBLY. I submit this Affidavit in accordance with sections 327(a) and 328(a) of title 11 of the United States Code (the “Bankruptcy Code”) in support of the application (the “Application”) of the above captioned debtors and debtors-in-possession (the “Debtors”) for an order pursuant to sections 327(a) and 328(a) of the Bankruptcy Code authorizing the Debtors to retain and employ MBLY as financial advisor and investment banker.

2. Unless otherwise stated in this Affidavit, I have personal knowledge of the facts set forth herein and, if called as a witness, I would testify thereto. Capitalized terms and phrases not otherwise defined herein shall have the meanings ascribed to such terms in the Application.

MBLY's PROFESSIONAL QUALIFICATIONS

3. MBL Y commenced operating on July 16, 2002 as an independent firm providing strategic and financial advisory services in large-scale corporate restructuring transactions. MBL Y is owned and controlled by Henry S. Miller, Kenneth A. Buckfire, Martin F. Lewis and David Y. Ying and by the employees of MBL Y. MBL Y currently has approximately 45 employees, many of whom were employees of the Financial Restructuring Group of Dresdner Kleinwort Wasserstein, Inc. before July 16, 2002.

4. MBL Y's professionals have extensive experience in providing financial advisory and investment banking services to financially distressed companies and to creditors, equity constituencies, and government agencies in reorganization proceedings and complex financial restructurings, both in and out of court. For instance, MBL Y's professionals are providing or have provided financial advisory, investment banking, and other services in connection with the restructuring of Acterna Corporation; AT&T Latin America; Bruno's Inc.; Burlington Industries; Cajun Electric Power Corporation; Cambridge Industries; Carmike Cinemas; Celotex Corporation; Centerpoint Energy; Criimi Mae, Inc.; CMS Energy Corporation; CTC Communications; Dow Corning Corporation; Drypers, Inc.; Favorite Brands International Inc.; Focal Communications Corporation; FPA Medical Management; Grand Union Co.; Heartland Wireless; Horizon Natural Resources Company; Huntsman Corporation; ICG Communications; ICO Global Communication, Ltd.; IMPATH Inc.; Kmart Corporation; Loewen Group; Mirant Corp.; Montgomery Ward & Co.; National Airlines; Oakwood Homes; Pacific Crossing Limited; Pathmark Stores, Inc.; PennCorp Financial Group, Inc.; Pioneer Companies; PSINet; Polaroid Corporation; Polymer Group, Inc.; The Spiegel Group; Sunbeam Corporation; Trans World Airlines; US Office Products; and U.S. Generating Florida Partnerships.

MBLY's RELATIONSHIP WITH THE DEBTORS

5. As a result of the proposed engagement of MBL Y by the Debtors, MBL Y has become familiar with the Debtors' business operations, capital structure, financing documents and other material information, and is able to assist the Debtors in its reorganization efforts. I believe that MBL Y and the professionals it employs are uniquely qualified to advise the Debtors in the matters for which MBL Y is proposed to be employed. The Debtors have requested that MBL Y serve as financial advisor and investment banker during this chapter 11 case to perform a broad range of services on behalf of the Debtors in connection with a potential restructuring, financing and/or sale transaction as more fully described in the Engagement Letter.

DISINTERESTEDNESS AND ELIGIBILITY

6. In preparing this Affidavit, I caused to be reviewed a list of the significant parties-in-interest provided to MBL Y by the Debtors (the "Interested Parties"), which is attached hereto as Schedule 1. The identities of the Interested Parties were provided to MBL Y by the Debtors. The list of the Interested Parties is comprised of the following:

- a) The Debtors;
- b) The Debtors' officers and directors
- c) The Debtors' significant creditors;
- d) The Debtors' secured lenders;
- e) Persons holding a large percentage of the Debtors' issued and outstanding voting securities;
- f) The Debtors' professionals in this bankruptcy case;
- g) The Debtors' significant trade creditors; and
- h) Other professionals employed by the Debtors.

7. To the best of my knowledge and belief, neither MBL Y, I, nor any other employee of MBL Y has any connection with or holds any interest adverse to the Interested Parties in the matters on which MBL Y is proposed to be retained, except as follows:

- a) The Debtors have many creditors. From time to time, MBL Y may perform or may have performed services for, or maintained other commercial or professional relationships with, certain creditors of the Debtors and various other parties adverse to the Debtors, in each case in matters unrelated to this case.
- b) From time to time, MBL Y also may have had dealings on other unrelated matters with certain of the other professionals expected to provide services in this case.

8. To the best of my knowledge, information and belief, MBL Y has not been retained to assist any entity or person other than the Debtors on matters relating to, or in direct connection with, this case. If MBL Y's proposed retention by the Debtors is approved by this Court, MBL Y will not accept any engagement or perform any service for any entity or person other than the Debtors in this case. MBL Y will, however, continue to provide professional services to entities or persons that may be creditors or equity security holders of the Debtors or parties-in-interest in this case, provided that such services do not relate to, or have any direct connection with, this case.

9. Insofar as I have been able to determine, MBL Y and the employees of MBL Y that will work on this engagement do not hold or represent any interest adverse to the Debtors or its estate, and MBL Y is a "disinterested person" as that term is defined in Section 101(14) of the Bankruptcy Code, in that MBL Y, its professionals and employees:

- a) are not creditors, equity security holders or insiders of the Debtors;
- b) are not and were not investment bankers for any outstanding security of the Debtors;
- c) have not been, within three years before the date of the filing of the Debtors' chapter 11 petition, (i) investment bankers for a security

of the Debtors or (ii) attorneys for such an investment banker in connection with the offer, sale, or issuance of a security of the Debtors; and

- d) were not, within two years before the date of filing of the Debtors' chapter 11 petition, a director, officer, or employee of the Debtors or of any investment banker as specified in subparagraph (b) or (c) of this paragraph.

10. I am not related or connected to and, to the best of my knowledge, no other professional of MBL Y who will work on this engagement is related or connected to, any United States Bankruptcy Judge for the District of Maine, any of the District Judges for the District of Maine who handle bankruptcy cases, the United States Trustee for this Region or any employee in the Office of the United States Trustee for this Region.

11. If MBL Y discovers any additional information that requires disclosure, MBL Y will promptly file a supplemental Affidavit with this Court.

COMPENSATION AND FEE APPLICATION

The terms of MBL Y's proposed compensation are fully set forth in the Engagement Letter (the "Fee Structure"), and I respectfully refer this Court to the Engagement Letter, which is attached hereto as Exhibit B to the Application, for a full recitation of its terms. In addition to any fees payable by the Debtors to MBL Y under the Engagement Letter, the Debtors shall reimburse MBL Y, on a monthly basis, for all reasonable out-of-pocket expenses incurred by MBL Y in performing its financial advisory services. In summary, the Debtors have agreed in the Engagement Letter that the fees for the Services rendered in these cases (the "Fee Structure") will be as follows:¹

- a) A monthly financial advisory fee of \$175,000;

¹ This summary is presented for convenience purposes. The terms set forth in the Engagement Letter are controlling in all respects. Capitalized terms used herein not otherwise defined herein have the meanings ascribed to such terms in the Engagement Letter.

- b) If the Debtors consummate a Restructuring, a Restructuring Transaction Fee of \$11,250,000, contingent upon and payable at the consummation of a Restructuring;
- c) If the Debtors consummate a Sale, a Sale Transaction Fee equal to the greater of (i) \$11,250,000 and (ii) the sum of (A) 0.75% of the Aggregate Consideration up to \$1.5 Billion plus (B) 0.50% of the Aggregate Consideration, if any, in excess of \$1.5 Billion, which is contingent upon and payable at the consummation of such Sale;
- d) If the Debtors undertake a Financing, financing fees equal to:
 - (1) 1.00% of the gross proceeds of any indebtedness issued that is secured;
 - (2) 2.00% of the gross proceeds of any indebtedness issued that (x) is unsecured and/or (y) is subordinated;
 - (3) 3.00% of the gross proceeds of any equity or equity-linked securities or obligations issued; and
 - (4) with respect to any other securities or indebtedness issued, such as underwriting discounts, placement fees or other compensation as shall be customary under the circumstances and mutually agreed by the Debtors and MBLY (subject to Court approval).

12. The Engagement Letter also provides that (i) 50% of the monthly advisory fees for the first twelve months of the engagement will be credited against any Restructuring Transaction Fee or Sale Transaction Fee; (ii) 50% of any financing fee payable to MBLY in respect of a Financing consummated prior to the consummation of a Sale or Restructuring (including any financing fee in respect of a DIP Financing) will be credited against any Restructuring Transaction Fee or Sale Transaction Fee; (iii) 100% of any financing fee payable to MBLY in respect of a Financing consummated concurrently with any Restructuring or Sale will be credited against any Restructuring Transaction Fee or Sale Transaction Fee; and (iv) notwithstanding anything to the contrary, in the Engagement Letter, MBLY shall not be entitled to receive any financing fee(s) in respect of any Financing consummated after the consummation of a Sale or Restructuring in respect of which MBLY is entitled to receive a fee.

13. At this time, it is not possible to estimate (i) the number of months that will be required to perform the services contemplated by the Engagement Letter, (ii) the exact nature of the transactions to be consummated by the Debtors, or (iii) the aggregate amount of the fees payable under the Engagement Letter. Accordingly, it is not possible to estimate the total compensation to be paid to MBL Y under the Engagement Letter.

14. In addition to any fees payable by the Debtors to MBL Y under the Engagement Letter, the Debtors shall reimburse MBL Y, on a monthly basis, for all reasonable out-of-pocket expenses incurred by MBL Y in performing its financial advisory services.

15. The fees and expense reimbursement provisions described above are consistent with normal and customary billing practices for cases of this size and complexity that require the level and scope of services outlined. MBL Y and the Debtors also believe that the foregoing compensation arrangements are both reasonable and market-based.

16. MBL Y will maintain records in support of any actual and necessary costs and expenses incurred in connection with the rendering of its services in this case. Although MBL Y does not charge for its services on an hourly basis, MBL Y nevertheless will maintain records of time spent by its professionals in connection with the rendering of services for the Debtors by category and nature of the services rendered; provided, however, that MBL Y seeks approval to maintain time records in half-hour increments.

17. MBL Y seeks approval of the terms of its compensation pursuant to section 328(a) of the Bankruptcy Code. Subject to the terms and conditions of the Order of this Court approving the retention and employment of MBL Y, MBL Y intends to apply to the Court for allowance of compensation and reimbursement of expenses in accordance with applicable provisions of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the District of

Maine Local Bankruptcy Rules, and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 (“Fee Guidelines”), and orders of this Court.

18. The Debtors paid MBLY approximately \$175,000 for services rendered and expenses incurred prior to the commencement of these chapter 11 cases. In addition, prior to the Petition Date, the Debtors paid \$500,000.00 to MBLY as a retainer for MBLY’s fees and expenses. MBLY will not apply any portion of the retainer as payment for its fees and expenses incurred after the Petition Date, except as authorized pursuant to an order of the Court. The source of the foregoing payments was the Debtors’ cash on hand.

19. The Engagement Letter further provides that the Debtors will indemnify, hold harmless and defend MBLY and its affiliates and its respective directors, officers, members, managers, shareholders, employees, agents, and controlling persons and its respective successors and assigns (collectively, the “Indemnified Parties”) under certain circumstances (such indemnification obligation being referred to as the “Indemnification Provisions”) attached to and made a part of the Engagement Letter. These are standard provisions, both in chapter 11 cases and outside chapter 11.

SCHEDULE 1

ALL PEGASUS ENTITIES (including non-debtor affiliates)

ARGOS SUPPORT SERVICES COMPANY
B.T. SATELLITE, INC.
BRIDE COMMUNICATIONS, INC.
CARR RURAL TV, INC.
DBS TELE-VENTURE, INC.
DIGITAL TELEVISION SERVICES OF INDIANA,
LLC
PBT HOLDING, INC.
PEGASUS BROADCAST TELEVISION I, INC.
PEGASUS SATELLITE FINANCE CORPORATION
PEGASUS SATELLITE TELEVISION I, INC.
DTS MANAGEMENT, LLC
GOLDEN SKY DBS, INC.
GOLDEN SKY HOLDINGS, INC.
GOLDEN SKY SYSTEMS, INC.
HENRY COUNTY MRTV, INC.
HMW, INC.
PEGASUS BROADCAST ASSOCIATES, L.P.
PEGASUS BROADCAST TELEVISION, INC.
PEGASUS BROADCAST TOWERS, INC.
PEGASUS COMMUNICATIONS CORPORATION
PEGASUS COMMUNICATIONS CORPORATION
PAC
PEGASUS COMMUNICATIONS MANAGEMENT
COMPANY
PEGASUS DEVELOPMENT 107 CORPORATION
PEGASUS DEVELOPMENT 107 LICENSE
CORPORATION
PEGASUS DEVELOPMENT 9182 CORPORATION
PEGASUS DEVELOPMENT CORPORATION
PEGASUS DEVELOPMENT DBS CORPORATION
PEGASUS GUARD BAND, LLC
PEGASUS LETTER OF CREDIT SUBSIDIARY, INC.
PEGASUS MEDIA & COMMUNICATIONS, INC.
PEGASUS REAL ESTATE COMPANY
PEGASUS RURAL BROADBAND, LLC
PEGASUS RURAL TELEVISION, LLC
PEGASUS PCS PARTNERS, LP
PEGASUS SATELLITE COMMUNICATIONS
HOLDINGS, INC.
PEGASUS SATELLITE COMMUNICATIONS, INC.
PEGASUS SATELLITE DEVELOPMENT
CORPORATION
PEGASUS SATELLITE TELEVISION OF ILLINOIS,
INC.
PEGASUS SATELLITE TELEVISION, INC.
PEGASUS TRAVEL, INC.
PMC SATELLITE DEVELOPMENT, LLC
PORTLAND BROADCASTING, INC.
PRIMEWATCH, INC.
PST HOLDINGS, INC.
SATELLITE ACCESS CORPORATION
SOUTH PLAINS DBS, L.P.
TELECAST OF FLORIDA, INC.
WDSI LICENSE CORPORATION

WFXU CORPORATION
WFXU LICENSE CORPORATION
WGFL CORPORATION
WGFL LICENSE CORPORATION
WILF, INC.
WOLF LICENSE CORPORATION
WPME CORPORATION
WPME LICENSE CORPORATION
WTLH LICENSE CORPORATION

50 LARGEST UNSECURED CREDITORS

AIG GLOBAL INVESTMENTS
AMERICAN EXPRESS ASSET MANAGEMENT
BANK ONE
BASIC YOUR BEST BUY INC.
BCK COMMUNICATIONS
CITY OF MARLBOROUGH
COLLECTECH SYSTEMS, INC.
COMMISSIONER OF REV. SERVICES
DIRECTV
DIRECTV LITIGATION VERDICT
EATON VANCE MANAGEMENT
ESTADO LIBRE ASOCIADO DE PUERTO RICO
FEDEX CORPORATION
FIDELITY MANAGEMENT & RESEARCH CO.
FIRST UNION NATIONAL BANK
FLORIDA DEPARTMENT OF FINANCE
FLORIDA DEPARTMENT OF REVENUE
GUCKENHEIMER ENTERPRISES INC
INDIANA DEPT OF REV
IOWA DEPARTMENT OF REVENUE
J.P MORGAN TRUST COMPANY, N.A.
JEFFERSON CO. SHERIFF'S OFFICE
JOHN HANCOCK ADVISORS
JOHNSON COUNTY TAC
JOHNSON COUNTY TREASURER
KANSAS DEPARTMENT OF REVENUE
MINNESOTA DEPT OF REVENUE
NATIONAL RURAL TELECOMMUNICATIONS COOPERATIVE
NATIONWIDE CREDIT, INC.
NEBRASKA DEPT. OF REVENUE
NEW MEXICO TAXATION
NORTEL NETWORKS
NORTH CAROLINA DEPT OF REVENUE
NRTC
NUCONTRIX CONVERSIONS
PAYMENTECH
PCC
PEGASUS COMMUNICATIONS CORPORATION
PROFESSIONAL SATELLITE & COMMUNICATIONS
SATELLITE SYSTEM NETWORK
SOUTH CAROLINA DEPT OF REVENUE
SOUTH DAKOTA STATE TREASURER
STANDARD & POOR'S
STATE CONTROLLER - TEXAS
STATE OF ARKANSAS

STATE OF TEXAS COMPTROLLER
STATE TAX COMMISSIONER
TENNESSEE DEPT OF REVENUE
TREASURER OF STATE (OHIO)
UTAH STATE TAX COMMISSION
VERMONT DEPARTMENT OF TAXES
WACHOVIA BANK, NA
WEBCLICK CONCEPTS INC.
WEST VIRGINIA STATE TAX DEPT

MAJOR LENDERS TO THE DEBTORS

1888 FUND LTD
A3 FUNDING LP
ABLECO FINANCE LLC
AMMC CDO I LIMITED
AMMC CDO II LTD
APEX (TRIMARAN) CDO I, LTD
ARCHIMEDES FUNDING III LTD
AVERY POINT CLO LTD
BALLYROCK CDO I LIMITED
BANK OF AMERICA
BANK OF AMERICA DISTRESSED TRADE
BILL & MELINDA GATES FOUNDATION
BINGHAM CDO LP
BLUE SQUARE FUNDING LIMITED SER 3
BRANT POINT CBO 1999-1 LTD
CALIFORNIA ENDOWMENT
CALIFORNIA PUBLIC EMPLOYEES
CANPARTNERS INVESTMENTS IV LLC
CASTLE HILL I – INGOTS LTD
CASTLE HILL II – INGOTS LTD
CENTURION CDO II LTD
CENTURION CDO VI LTD
CANADIAN IMPERIAL BANK OF COMMERCE
COHANZICK CREDIT OPPORTUNITIES FUND, LTD.
COHANZICK HIGH YIELD PARTNERS, LP
CREDIT OPPORTUNITIES FUNDING INC
DAIMLER CHRYSLER CORPORATION MASTER
DELTA MASTER TRUST
DEBT STRATEGIES FUND INC.
DEUTSCHE BANK TRUST CO AMERICAS
ELF FUNDING TRUST I
EMERALD ORCHARD LIMITED
ENDURANCE CLO I LTD
FERNWOOD ASSOCIATES
FERNWOOD RESTRUCTURING
FIDELITY ADVISOR SERIES II
FIR TREE RECOVERY MASTER FUND LP
FIR TREE VALUE PARTNERS LDC
FRANKLIN CLO II, LIMITED
FRANKLIN FLOATING RATE TRUST
FRANKLIN FLOATING RATE DAILY ACCESS
FRANKLIN FLOATING RATE MASTER
GABRIEL CAPITAL, L.P.
GENERAL BOARD OF PENSION AND HEALTH
GENERAL MOTORS INVESTMENT

GLENEAGLES TRADING LLC
GMAC INVESTMENT FUNDS
GREAT POINT CLO 1999-1 LTD
HALCYON FUND
HARBOUR TOWN FUNDING LLC
HIGHLAND LEGACY LIMITED
HIGHLAND LOAN FUNDING V LTD
HIGHLAND OFFSHORE PARTNERS LP
IBM RETIREMENT PLAN
ING PRIME RATE TRUST
ING SENIOR INCOME FUND
INNER HARBOR CBO 2001-1 LTD
INTERNATIONAL PAPER RETIREMENT PLAN
IOWA PUBLIC EMPLOYEES RETIREMENT
J PAUL GETTY TRUST
KZH CYPRESS TREE-1 LLC
KZH STERLING LLC
LONG LANE MASTER TRUST IV
LONGHORN CDO (CAYMAN) LTD
LONGHORN CDO II LTD
MAGMA CDO LTD
MASTER SENIOR FLOATING RATE TRUST
MERRILL LYNCH GLOBAL INVESTMENT SERIES
MERRILL LYNCH PRIME RATE PORTFOLIO
MICROSOFT CORPORATION
ML CBO IV CAYMAN LTD
ML CLO XV PILGRIM AMERICA CAYMAN
ML CLO XX PILGRIM AMERICA CAYMAN
OCM HIGH YIELD FUND II LP
OCM HIGH YIELD LIMITED PARTNERSHIP
OCM HIGH YIELD TRUST
ORIX FINANCE CORP I
PACIFIC GAS AND ELECTRIC COMPANY
PAM CAPITAL FUNDING LP
PAMCO CAYMAN LTD
PILGRIM AMERICA HIGH INCOME INVESTMENT
PILGRIM CLO 1999-1 LTD
QWEST PENSION TRUST
RACE POINT CLO LIMITED
RACE POINT II CLO LIMITED
RESTORATION FUNDING CLO LTD
SAB CAPITAL PARTNERS II
SAB CAPITAL PARTNERS, LP
SAB OVERSEAS FUND
SAN DIEGO COUNTY EMPLOYEES
SANKATY HIGH YIELD PARTNERS III LP
SAWGRASS TRADING LLC
SEA PINES FUNDING LLC
SENIOR HIGH INCOME PORTFOLIO
SEQUILS CENTURION V, LTD.
SEQUILS PILGRIM I LTD
SEQUILS-ING I (HBDGM) LTD
STANFIELD ARBITRAGE CDO, LTD.
STANFIELD CLO LTD
STANFIELD QUATTRO CLO LTD
STANFIELD/RMF TRANSATLANTIC CDO LTD

STATE TEACHERS RETIREMENT SYSTEM
STELLAR FUNDING LTD
SUNAMERICA LIFE INSURANCE COMPANY
SUNAMERICA SENIOR FLOATING RATE
THE PRESIDENT & FELLOWS OF HARVARD
COLLEGE
T ROWE PRICE HIGH YIELD FUND INC
T ROWE PRICE INSTITUTIONAL HIGH
TORONTO DOMINION (NEW YORK), INC.
TRIPAR PARTNERSHIP
TRS CALLISTO LLC
TRS ELARA LLC
UBS AG, STAMFORD BRANCH
VULCAN VENTURES INC
WELLS CAPITAL MANAGEMENT
WELLS FARGO BANK NA
WHIPPOORWILL DISTRESSED OPPORTUNITY
FUND, L.P.
WINDSOR LOAN FUNDING LIMITED

PARTIES TO SIGNIFICANT LITIGATION WITH THE DEBTORS

ANTERA BROADBAND, INC.
ASSOULIN, MICHAEL D/B/A DISH AMERICA
CABLE AMERICA, INC. D/B/A SATELLITE AMERICA, INC.
DIRECTV
ERVING FOODS
FOX ENTERTAINMENT GROUP, INC. (PARENT TO DIRECTV)
GALAXY AMERICAN COMMUNICATIONS
GALAXY TELECOM, L.P.
GENSSER PELLECCER D/B/A SATELLITE CONCEPTS
HESTER, FELICIA
HUGHES ELECTRONICS CORPORATION (PARENT TO DIRECTV)
JONES, OLA
MIDAMERICAN CABLE SYSTEMS, L.P.
MILLER, DAVID
MORRIS, GREGORY
NEW PATH COMMUNICATIONS, L.C.
NEWS CORPORATION, LTD. (PARENT TO DIRECTV)
OMEGA SATELLITE
PARACOMM, INC.
R/COM, L.C.
RAMSEY, JATARQUA
RUSSELL, ROBERT
TELEPARTNERS, L.L.C.
WESTCOM, L.C.

MAJOR INSURANCE CARRIERS, REINSURANCE CARRIERS, AGENTS AND BROKERS

NATIONAL CASUALTY COMPANY
XL SPECIALTY INSURANCE CO.
HOUSTON CASUALTY
SCOTTSDALE INSURANCE CO.
HARTFORD FIRE INS. CO.
CHUBB GROUP

INDENTURE TRUSTEES

J.P MORGAN TRUST COMPANY, N.A.
FIRST UNION NATIONAL BANK
WACHOVIA BANK, NA

EQUITY HOLDERS HOLDING MORE THAN 5% OF THE EQUITY IN ANY ONE OF THE DEBTORS

ARGOS SUPPORT SERVICES COMPANY
BRIDE COMMUNICATIONS, INC.
DTS MANAGEMENT (SOLE MEMBER)
GOLDEN SKY HOLDINGS, INC.
GOLDEN SKY SYSTEMS, INC.
GOLDEN SKY SYSTEMS, INC. (GENERAL PARTNER)
LEC DEVELOPMENT, INC. (GENERAL PARTNER)
PEGASUS BROADCAST TELEVISION, INC. (GENERAL PARTNER)
PEGASUS BROADCAST TELEVISION, INC.
PEGASUS COMMUNICATIONS CORPORATION
PEGASUS DEVELOPMENT CORPORATION
PEGASUS DEVELOPMENT CORPORATION
PEGASUS MEDIA & COMMUNICATIONS, INC.
PEGASUS SATELLITE COMMUNICATIONS, INC.
PEGASUS SATELLITE TELEVISION, INC.
PEGASUS SATELLITE TELEVISION, INC. (SOLE MEMBER)
PST HOLDINGS, INC.

ADDITIONAL EQUITY HOLDERS IN PEGASUS SATELLITE COMMUNICATIONS, INC.

JPMORGAN CHASE BANK
AMERICAN EXPRESS TRUST COMPANY
BEAR, STEARNS SECURITIES, CORP.
CITIBANK, N.A.
FLEET NATIONAL BANK
J.J.B HILLIARD, W.L. LYONS, INC.
LEHMAN BROTHERS, INC.
MORGAN STANLEY & CO. INCORPORATED
PNC BANK, NATIONAL ASSOCIATION
STATE STREET BANK AND TRUST COMPANY
WACHOVIA CAPITAL MARKETS, LLC

EQUITY HOLDERS HOLDING MORE THAN 5% OF THE EQUITY IN PEGASUS COMMUNICATIONS CORPORATION

ALTA COMMUNICATIONS VI, L.P
AVENUE SPECIAL SITUATIONS FUND II, LP
DBS INVESTORS, LLC
FMR CORP.
JOHN HANCOCK FINANCIAL SERVICES, INC.
PAR CAPITAL MANAGEMENT, INC.
FARLEY, STEPHEN L.
PERRY CORP.
PENINSULA CAPITAL ADVISORS.

DIRECTORS AND OFFICERS OF THE FILING ENTITIES

BLANK, SCOTT A.
CARPENTER, LEE M.
CRATE, CHERYL
DIDIO, JOHN
DORRAN, WILLIAM
FINCK, DOUGLAS B.

HANE, JOHN
HEISLER, KAREN M.
JORDAN, MICHAEL B.
LINDGREN, RORY J.
LODGE, TED S.
PAGON, MARSHALL W.
PARIS, JACK
POOLER, JOSEPH W., JR.
ROLFE, DENISE
VERLIN, HOWARD E.
YANNUZZI, MICHAEL

OTHER RETAINED PROFESSIONALS

ARNOLD & PORTER
BALCH & BINGHAM LLP
CAPELL & HOWARD, P.C.
CAPITAL MANAGEMENT ASSOCIATES, INC.
DRINKER BIDDLE & REATH LLP
FLEISHMAN & WALSH
FTI CONSULTING, INC.
HERBEIN & COMPANY, INC.
HEWITT ASSOCIATES
HUNTER, MACLEAN, EXLEY & DUNN
KEKST & COMPANY, INC.
KING & SPAULDING LLP
LEWIS, FISHER, HENDERSON, CLAXTON & MULROY

SCHEDULE 2

SCHEDULE 2

**NAMES AND POSITIONS OF MBLY PROFESSIONALS ANTICIPATED TO
PERFORM WORK ON BEHALF OF THE DEBTOR**

<u>Name</u>	<u>Position</u>
David Y. Ying	Managing Director
Marc D. Puntus	Managing Director
Lloyd A. Sprung	Principal
James Lucania	Associate
Shantanu Agrawal	Analyst