

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE

In re:)	Chapter 11
)	
PEGASUS SATELLITE TELEVISION, INC., et al.,)	Case No. 04-20878
)	
Debtors.)	(Jointly Administered)
)	

STATEMENT OF FEES FOR SERVICES RENDERED AND OUT-OF-POCKET EXPENSES INCURRED BY CAPITAL & TECHNOLOGY ADVISORS LLC, AS FINANCIAL ADIVSOR TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF PEGASUS SATELLITE TELEVISION, INC., *ET AL.* FOR THE PERIOD FROM JANUARY 1, 2005 THROUGH JANUARY 31, 2005

Capital & Technology Advisors LLC (“C&TA”), financial advisor to the Official Committee of Unsecured Creditors (the “Committee”) of Pegasus Satellite Television, Inc., *et al.* (the “Debtors”), submits for review its monthly statement (this “Monthly Statement”) of fees and out-of-pocket expenses for the period beginning January 1, 2005 and ending January 31, 2005 (the “Eighth Compensation Period”). In support of this Monthly Statement, C&TA states as follows:

1. On June 2, 2004 (the “Commencement Date”), Pegasus Satellite Communications, Inc. and certain of its affiliates (collectively, the “Debtors”) each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.*, as amended (“the “Bankruptcy Code”) in the Bankruptcy Court for the District of Maine (the “Bankruptcy Court”).

2. On June 24, 2004, the Court entered an order pursuant to sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals (the “Interim Compensation Order”). Pursuant to the Interim

Compensation Order, the Bankruptcy Court authorized the filing of monthly fee statements and authorized payment of 90% of any unobjected-to fees and 100% of the expenses requested in the monthly fee statement.

3. On July 27, 2004, the Bankruptcy Court entered an order (the “C&TA Retention Order”) authorizing the retention of C&TA as financial advisor to the Committee *nunc pro tunc* to June 14, 2003, pursuant to that certain engagement letter dated as of June 14, 2004. (the “Engagement Letter”). Pursuant to the terms of the Engagement Letter, C&TA is entitled to receive a Monthly Advisory Fee of \$150,000 per month for its advisory services rendered on behalf of the Committee, as well as reimbursement of reasonable out-of-pocket expenses.

4. For the Eighth Compensation Period, C&TA fees for providing professional services to the Committee totaled \$150,000, which amount represents the Monthly Advisory Fee for the period from January 1, 2005 through January 31, 2005. C&TA recorded no out-of-pocket expenses during the Eighth Compensation Period. There may exist additional out-of-pocket expenses that C&TA has incurred but not yet processed due to timing, which expenses will be submitted at a later date. Attached hereto is a schedule summarizing all time expended by C&TA professionals during the Eighth Compensation Period (Exhibit A).

5. A summary of all fees and out-of-pocket expenses applied for in this Monthly Statement is outlined below:

Interim Period	Total Fees	Less Holdback @ 10%	Fees Due	Total Expenses	Amount Due
1/1/05–1/31/05	\$150,000	\$15,000	\$135,000	\$0.00	\$135,000.00

6. Pursuant to the terms of the Interim Compensation Order, responses or objections to this Monthly Fee Statement, if any, must be in writing and must be filed with the Bankruptcy

Court and served on the notice parties, as specified in the Interim Compensation Order, so as to be received on or before twenty (20) days following receipt of this Monthly Fee Statement (the “Objection Deadline”).

7. Upon the expiration of the Objection Deadline, the Applicant shall certify in writing to the Debtors that no objection, or an objection has been filed with the Bankruptcy Court relative to this Monthly Fee Statement, whichever is applicable, after which the Debtors shall pay to the Applicant an amount equal to either (i) ninety percent (90%) of the fees and one hundred percent (100%) of the expenses requested in this Monthly Fee Statement not subject to an objection, or (ii) ninety percent (90%) of the fees and one hundred percent (100%) of the expenses requested in this Monthly Fee Statement not subject to an objection, as appropriate, until the Bankruptcy Court hears and resolves such objection.

Dated: March 8, 2005

Respectfully Submitted,

CAPITAL & TECHNOLOGY ADVISORS LLC

/s/ Wayne Barr, Jr.

Wayne Barr, Jr.

Member

18 Corporate Woods Boulevard, Third Floor
Albany, NY 12211

(518) 462-2632 (telephone)

(518) 462-3045 (facsimile)

**SUMMARY OF TIME CHARGES FOR THE PERIOD
JANUARY 1, 2005 THROUGH AND INCLUDING JANUARY 31, 2005**

Listed below are the professionals who performed services during the referenced periods, their full names and the time incurred by each.

Wayne Barr, Jr. – 16 hours

Date	# of Hours	Description
1/4	1	Participate in conference call with committee and advisers as to status of broadcast assets and plan of reorganization.
1/14	1	Participate in conference call with committee and advisers as to status of broadcast assets and plan of reorganization.
1/17	1	Review progress of negotiations with PCC and recovery analysis with C&TA personnel
1/18	8	Review progress of negotiations with PCC and recovery analysis with C&TA personnel
1/27	4	Review revised POR
1/28	1	Participate in conference call with committee and advisers as to status of broadcast assets and plan of reorganization.

Eduardo Sanchez – 21 hours

Date	# of Hours	Description
1/4	1	Participate in conference call with committee and advisers as to status of broadcast assets and plan of reorganization.
1/14	2	Participate in conference call with committee and advisers as to status of broadcast assets and plan of reorganization.
1/17	8	Review progress of negotiations with PCC. Review recovery analysis; discuss internally
1/18	8	Review progress of negotiations with PCC. Review recovery analysis; discuss internally
1/28	2	Participate in conference call with committee and advisers as to status of broadcast assets and plan of reorganization.