

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE

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

**AFFIDAVIT OF LARRY J. NYHAN IN SUPPORT OF
APPLICATION FOR AN ORDER AUTHORIZING RETENTION OF
SIDLEY AUSTIN BROWN & WOOD LLP AS ATTORNEYS FOR
THE DEBTORS AND DEBTORS IN POSSESSION AND DISCLOSURE OF
COMPENSATION PURSUANT TO BANKRUPTCY CODE SECTION 329**

STATE OF ILLINOIS)
) ss.:
COUNTY OF COOK)

LARRY J. NYHAN declares as follows:

1. I am a partner in the law firm of Sidley Austin Brown & Wood LLP (“Sidley” or the “Firm”), and am a resident at its offices located at Bank One Plaza, 10 South Dearborn Street, Chicago, Illinois 60603. This Affidavit is submitted in support of the proposed retention and employment of Sidley by Pegasus Satellite Television, Inc. and certain of its subsidiaries and affiliates, each a debtor and debtor-in-possession herein (collectively, the “Debtors”),¹ as their general reorganization and bankruptcy counsel in their chapter 11 cases and in compliance with § 327(a) of the United States Bankruptcy Code (the “Bankruptcy Code”), as well as to provide disclosure required under Rules 2014(a) and 2016(b) of the Federal Rules of

¹ The Debtors are: Argos Support Services Company, Bride Communications, Inc., B.T. Satellite, Inc., Carr Rural TV, Inc., DBS Tele-Venture, Inc., Digital Television Services of Indiana, LLC, 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 Media & Communications, Inc., Pegasus Satellite Communications, Inc., Pegasus Satellite Television of Illinois, Inc., Pegasus Satellite Television, Inc., Portland Broadcasting, Inc., Primewatch, Inc., PST Holdings, Inc., South Plains DBS, LP., Telecast of Florida, Inc., WDSI License Corp., WILF, Inc., WOLF License Corp., WTLH License Corp.

Bankruptcy Procedure (the “Bankruptcy Rules”). Unless otherwise stated in this Affidavit, I have personal knowledge of the facts set forth herein.

2. Sidley has conducted a series of searches of its databases to identify relationships with creditors and other parties in interest (or potential parties in interest) in respect of the Debtors. Specifically, Sidley has searched its databases to identify, during the last five (5) years, (i) circumstances in which Sidley has represented clients other than the Debtors on matters involving the Debtors, (ii) representations by Sidley of the Debtors’ fifty (50) largest unsecured creditors, (iii) representations by Sidley of known institutional lenders to one or more of the Debtors, (iv) representations by Sidley of entities who are parties to significant litigation with the Debtors, (v) representations by Sidley of insurers to the Debtors, (vi) representations by Sidley of the indenture trustees, (vii) representations by Sidley of certain known equity holders in any of the Debtors or in Pegasus Communications Corporation, the Debtors’ non-debtor parent, (viii) representations by Sidley of the Debtors’ directors and officers, (ix) Sidley’s relationships with other professionals retained by the Debtors, (x) Sidley’s relationships with significant vendors to the Debtors and (xi) other significant Sidley relationships whereby Sidley represents entities who may be potentially adverse to the Debtors. Exhibit B lists all of the persons or entities that were reviewed for potential connections with Sidley. The charts set forth on Exhibit C summarize the results of the foregoing searches and, except as set forth on Exhibit C, Sidley (a) does not hold or represent any interest adverse to the Debtors’ estates in matters upon which Sidley is to be engaged, and (b) is disinterested. Finally, Sidley may have represented in the past, or may currently represent, certain entities in matters unrelated to the Debtors, which entities have or may have potential claims against the Debtors’ estates. Sidley will not represent such entities in connection with asserting any such claims against the Debtors or their estates.

4. To the best of my knowledge and information, Sidley has no connection with the United States Trustee for the District of Maine or any person employed by that Office of the United States Trustee.

5. In light of the extensive number of creditors and other parties-in-interest, and because definitive lists of all such creditors and other parties have not been prepared, neither I nor Sidley are able to conclusively identify all potential relationships. To the extent that I become aware of any additional relationship that may be relevant to Sidley's representation of the Debtors, I will promptly file a supplemental Affidavit.

DISCLOSURE OF COMPENSATION

6. Sidley has represented the Debtors in connection with their restructuring efforts to date. Prior to the Petition Date, Sidley received from a non-Debtor affiliate of the Debtors a retainer relating to the preparation for the filing of these chapter 11 cases and for Sidley's proposed post-petition representation of the Debtors. As of the Petition Date, the balance of the retainer is estimated at approximately \$300,000, which excess amount will be applied against allowed post-petition fees and expenses of Sidley in connection with Sidley's representation of the Debtors. In addition, although Sidley has not received any amounts from the Debtors within one year prior to the Petition Date, Sidley has received, within one year prior to the Petition Date, approximately \$7,586,928 from non-Debtor affiliates including amounts on account of services rendered to the Debtors. Sidley estimates that approximately \$1,500,000 of this total amount received from non-Debtor affiliates was for services rendered in preparation for this chapter 11 filing. All fees and expenses of Sidley with respect to services rendered to the Debtors and non-Debtor affiliates during the prepetition period have been paid in full. Sidley will not represent any of the non-Debtor affiliates after the Petition Date.

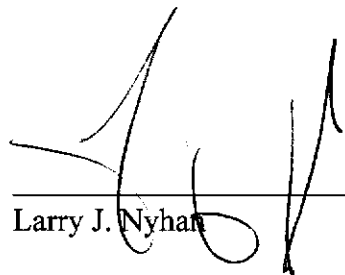
7. Sidley has billed, and will bill, at Sidley's customary billing rates for

matters of this type. Sidley's billing rates currently range from \$425 to \$775 per hour for partners, \$170 to \$435 per hour for associates, and \$50 to \$190 per hour for para-professionals, and are subject to periodic adjustment. In addition, Sidley will be reimbursed for costs and expenses incurred in connection with these cases at Sidley's normal and customary rates and charges. Sidley's routine policy with respect to expenses is to charge its clients in all areas of practice for expenses, other than professional time, incurred in connection with the case. The expenses charged to clients include, among other things, telephone and telecopier charges, regular and express mail charges, special or hand delivery charges, document processing charges, photocopying charges, travel expenses, computerized research charges, and transportation costs.

8. Sidley is prepared to act on the Debtors' behalf at its normal and customary rates for matters of this type, together with reimbursement of all costs and expenses incurred by Sidley in connection herewith, and the Debtors have proposed to pay Sidley at such rates and to reimburse it for such expenses, subject to the provisions of the Bankruptcy Code and the Federal Rules of Bankruptcy Procedure, the applicable Bankruptcy Local Rules for the District of Maine and any order of this Court.

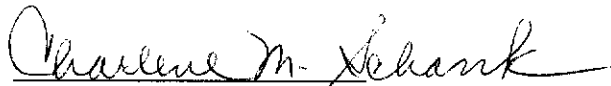
9. Sidley has not shared or agreed to share any compensation received in these cases with any other entity other than its partners and associates in accordance with the partnership agreement of the firm.

I declare under penalty of perjury that the foregoing is true and correct. Executed
this 2nd day of June, 2004.



Larry J. Nyhan

Sworn to and subscribed
before me this 2nd day
of June, 2004.



Notary Public

(Seal)

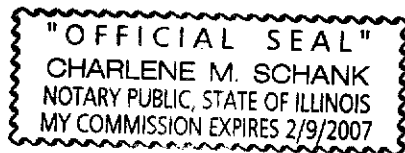


EXHIBIT B

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

BANK ONE
BASIC YOUR BEST BUY INC.
BCK COMMUNICATIONS
CITY OF MARLBOROUGH
COLLECTECH SYSTEMS, INC.
COMMISSIONER OF REVENUE SERVICES
DIRECTV
DIRECTV LITIGATION VERDICT
ESTADO LIBRE ASOCIADO DE PUERTO RICO
FEDEX
FLORIDA DEPARTMENT OF FINANCE
FLORIDA DEPARTMENT OF REVENUE
INDIANA DEPARTMENT OF REVENUE
IOWA DEPARTMENT OF REVENUE
JOHNSON COUNTY TAC
JOHNSON COUNTY TREASURER
JP MORGAN TRUST COMPANY NA (11.25% SR. NOTES DUE 2010)
KANSAS DEPARTMENT OF REVENUE
MINNESOTA DEPARTMENT OF REVENUE
NATIONWIDE CREDIT, INC.
NEBRASKA DEPARTMENT OF REVENUE
NEW MEXICO TAXATION
NORTEL NETWORKS
NORTH CAROLINA DEPARTMENT OF REVENUE
NRTC
NUCENTRIX CONVERSIONS
PEGASUS COMMUNICATIONS CORPORATION
PETRY TELEVISION
PROFESSIONAL SATELLITE & COMMUNICATIONS
RF MEDIA ASSOCIATES
SATELLITE SYSTEM NETWORK
SOUTH CAROLINA DEPARTMENT OF REVENUE
SOUTH DAKOTA STATE TREASURER
STATE CONTROLLER – TEXAS

STATE OF TEXAS COMPTROLLER
STATE TAX COMMISSIONER
TENNESSEE DEPARTMENT OF REVENUE
THE WB TV NETWORK
TREASURER OF STATE (OHIO)
TWENTIETH CENTURY FOX
UTAH STATE TAX COMMISSION
VERMONT DEPARTMENT OF TAXES
W. DALE SUMMERFORD
WACHOVIA BANK, NATIONAL ASSOCIATION
(12.375% SR. NOTES DUE 2006)
WACHOVIA BANK, NATIONAL ASSOCIATION
(12.5% SR. NOTES DUE 2007)
WACHOVIA BANK, NATIONAL ASSOCIATION
(13.5% SR. NOTES DUE 2007)
WACHOVIA BANK, NATIONAL ASSOCIATION
(9.625% SR. NOTES DUE 2005)
WACHOVIA BANK, NATIONAL ASSOCIATION
(9.75% SR. NOTES DUE 2006)
WEBCLICK CONCEPTS, INC.
WEST VIRGINIA STATE TAX DEPARTMENT

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 1 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.
WILMINGTON TRUST COMPANY
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
LYNN, TILLOTSON & PINKER, LLP
MARTINEZ, ODELL & CALABRIA
MILLER BUCKFIRE LEWIS YING & CO., LLC
POL SINELLI, SHALTON & WELTE
PRICEWATERHOUSECOOPERS
RICHARDS, LAYTON & FINGER
SEYFARTH SHAW LLP
SHAW PITTMAN

SIGNIFICANT VENDORS TO THE DEBTORS

ALLIANCE DATA SYSTEMS
BUDD BROADCASTING
CARSEY-WERNER DISTRIBUTION
COLUMBIA (CHICAGO)
KB PRIME MEDIA LLC
KING WORLD PRODUCTIONS
METRON NORTH AMERICA
NEW YORK TIMES WNEP-TV
NIELSON MEDIA RESEARCH
PARAMOUNT DOMESTIC T.V.
PERFECT 10 SATELLITE DISTRIBUTING
COMPANY
PETRY TELEVISION
RF MEDIA ASSOCIATES
SPECTRASITE BROADCAST GROUP
TWENTIETH CENTURY FOX
VAC SERVICE CORP.
WARNER BROTHERS INC.
WCSH, PORTLAND ME

EXHIBIT C¹

(i) Representation of Clients in Matters Involving the Debtors:

NONE.

(ii) Unrelated Representations by Sidley of Debtor's fifty (50) Largest Unaffiliated Unsecured Creditors in Unrelated Matters:

Active Unrelated Representations	Former Unrelated Representations
BANK ONE	
FEDERAL EXPRESS (HONG KONG)	
J.P. MORGAN	
J.P. MORGAN CHASE BANK	
NATIONWIDE CREDIT, INC.	
STANDARD & POOR'S	
WACHOVIA BANK, NA	

(iii) Known Institutional Lenders to the Debtors Who Are or Were Represented by Sidley in Unrelated Matters:

Active Unrelated Representations	Former Unrelated Representations
ABLECO FINANCE LLC	MERRILL LYNCH PRIME RATE PORTFOLIO
AIG-SUNAMERICA INC.	NEW YORK STATE TEACHERS RETIREMENT FUND
BANK OF AMERICA	ORIX CORPORATION
CALIFORNIA ENDOWMENT	SUNAMERICA INC.
CALIFORNIA STATE TEACHERS RETIREMENT SYSTEM	T ROWE PRICE
CANPARTNERS INVESTMENT IV, LLC	
CIBC (CANADIAN IMPERIAL BANK OF COMMERCE)	
DAIMLER CHRYSLER CORPORATION	
DEBT STRATEGIES FUND, INC.	
DEUTSCHE BANK TRUST COMPANY AMERICAS	
GENERAL MOTORS	
IBM CORPORATION	
ING	
INTERNATIONAL PAPER COMPANY	
MERRILL LYNCH	
MERRILL LYNCH GLOBAL INVESTMENT SERIES	
MICROSOFT CORPORATION	
ORIX	
PACIFIC GAS AND ELECTRIC COMPANY	
QWEST	

¹ This information contained herein reflects Sidley's representations during the last five (5) years.

QWEST CYBER SOLUTIONS LLC	
UBS	
UBS AG	
WELLS FARGO BANK NA	

(iv) Representations by Sidley of Entities in Unrelated Matters who are Parties to Significant Litigation with the Debtors:

Active Unrelated Representations	Former Unrelated Representations
	HUGHES ELECTRONICS CORPORATION

(v) Representations by Sidley of Insurance Carriers, Reinsurance Carriers, Agents and Brokers to the Debtors in Unrelated Matters:

Active Unrelated Representations	Former Unrelated Representations
CHUBB GROUP OF INSURANCE COMPANIES	
HARTFORD FIRE INSURANCE COMPANY	
XL CAPITAL ASSURANCE INC.	
XL INSURANCE	

(vi) Representations by Sidley of Indenture Trustees in unrelated matters:

Active Unrelated Representations	Former Unrelated Representations
JP MORGAN	
JP MORGAN CHASE BANK	
FIRST UNION NATIONAL BANK	
WACHOVIA BANK, NA	

(vii) Representations by Sidley of Certain Known Unaffiliated Equity Holders in any of the Debtors or in Pegasus Communications Corporation, the Debtors' Non-Debtor Parent in Unrelated Matters:

Active Representations	Former Representations
AMERICAN EXPRESS TRUST COMPANY	
BEAR STEARNS & CO., INC.	
BEAR STEARNS SECURITIES CORP.	
CITIBANK, N.A.	
FIRST UNION CAPITAL MARKETS	
FLEET NATIONAL BANK	
JOHN HANCOCK FINANCIAL SERVICES, INC.	
J.P. MORGAN	
J.P. MORGAN CHASE BANK	
LEHMAN BROTHERS, INC.	
MORGAN STANLEY DEAN WITTER & CO.	
PNC BANK, N.A.	
STATE STREET BANK & TRUST CO.	

WACHOVIA CAPITAL MARKETS, LLC	
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(ix) Representations by Sidley of the Debtor’s Officers and Directors:

NONE.

(x) Sidley’s Relationships with Other Professionals Retained by the Debtor:

Active Unrelated Representations	Inactive or Former Unrelated Representations
BALCH & BINGHAM LLP	ARNOLD & PORTER
PRICEWATERHOUSECOOPERS	RICHARDS LAYTON
SEYFARTH SHAW FAIRWEATHER & GERALDSON	

(xi) Representations by Sidley of Significant Vendors in Unrelated Matters:

Active Unrelated Representations	Inactive or Former Unrelated Representations
ALLIANCE DATA SYSTEMS	