

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE**

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

ORDER GRANTING THE REORGANIZED DEBTORS’ AND THE LIQUIDATING TRUSTEE’S MOTION FOR ORDER AUTHORIZING (I) THE ASSUMPTION OF A CERTAIN ASSET PURCHASE AGREEMENT BETWEEN PEGASUS SATELLITE COMMUNICATIONS, INC. AND KB PRIME MEDIA LLC DATED AS OF MARCH 15, 2004, (II) THE ASSIGNMENT OF THE AGREEMENT TO MYSTIC TELEVISION OF SCRANTON, LLC, (III) GRANTING RELATED RELIEF REGARDING THE PAYMENT AND APPLICATION OF THE PURCHASE PRICE AND (IV) GRANTING SUCH OTHER RELIEF AS IS JUST AND PROPER

Upon consideration of the Reorganized Debtors’ and the Liquidating Trustee’s Motion for an Order (i) Authorizing the Assumption of a Certain Asset Purchase Agreement Between Pegasus Satellite Communications, Inc. and KB Prime Media LLC Dated as of March 15, 2004, (ii) the Assignment of the Agreement to Mystic Television of Scranton, LLC, (iii) Granting Related Relief Regarding the Payment and Application of the Purchase Price and (iv) Granting Such Other Relief as is Just and Proper (the “Motion¹”); and it appearing that the relief requested in the Motion is in the best interests of the Reorganized Debtors, their estates and creditors; and good and sufficient cause appearing therefore; it is hereby

ORDERED, that the relief requested in the Motion is granted; and it is further

ORDERED, that the Reorganized Debtors are authorized to assume the KB Scranton Agreement pursuant to §365(a) of the Bankruptcy Code and assign the KB Scranton Agreement to Mystic pursuant to §365 (f)(1) and (2);

¹ Unless otherwise defined herein all capitalized terms have the meanings ascribed to them in the Motion.

ORDERED, that no monetary or other defaults exist under the KB Scranton Agreement that prohibits the Reorganized Debtors from assuming and/or assigning the KB Scranton Agreement;

ORDERED, that at the closing of the sale of the KB Scranton Agreement, (a) Mystic be and hereby is authorized to satisfy a portion of the purchase price due under the KB Scranton Agreement by delivering an amount equal to the Net Sale Proceeds to the Reorganized Debtors (b) the Reorganized Debtors are directed to apply the Net Sale Proceeds to reduce the Wachovia Loans owed by Butcher and Turner and (c) the KB Parties are directed to accept such application of the Net Sale Proceeds in satisfaction of a portion of the purchase price due under the KB Scranton Agreement;

ORDERED, that the Bankruptcy Court shall retain exclusive jurisdiction with respect to all matters and disputes arising from or relating to this order and the KB Scranton Agreement including, but not limited to, the enforcement of this order and the KB Scranton Agreement.

Dated: Portland, Maine
_____, 2005

UNITED STATES BANKRUPTCY JUDGE