

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 EXPENSES  
INCURRED BY FTI CONSULTING, INC. AS FINANCIAL ADVISOR TO  
PEGASUS SATELLITE TELEVISION, INC. AND CERTAIN  
OF ITS SUBSIDIARIES AND AFFILIATES FOR  
THE PERIOD BEGINNING MARCH 1, 2005 AND ENDING MARCH 31, 2005**

FTI Consulting, Inc (“FTI”), Financial Advisor to Pegasus Satellite Television, Inc. and certain of its subsidiaries and affiliates, submits for review its monthly statement (the “Monthly Statement”) of fees and out-of-pocket expenses for the period beginning March 1, 2005 and ending March 31, 2005 (the “March Compensation Period”). In support of the Monthly Statement, FTI states as follows:

1. On June 2, 2004, Pegasus Satellite Communications, Inc. and certain of its affiliates (collectively, the “Debtors”)<sup>1</sup> each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code, (the “Bankruptcy Code”) in the Bankruptcy Court for the District of Maine (the “Bankruptcy Court”).

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<sup>1</sup> 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.

2. On June 24, 2004 the Bankruptcy Court signed an order (the “Retention Order”) authorizing the retention of FTI as Financial Advisor to the Debtors on the terms and conditions provided in the Retention Order.

3. On June 24, 2004, the Bankruptcy Court signed an Order under 11 U.S.C. §§ 331 and 105(a) 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 a 10% fee “holdback” for all professionals of the Debtors’ estates that comply with the procedures provided therein.

4. For the March Compensation Period, FTI’s fees for providing professional services to the Debtors totaled \$28,100.00. In connection with services rendered, FTI has recorded actual and necessary out-of-pocket expenses in the amount of \$454.06. There may exist additional out-of-pocket expenses that FTI has incurred but not yet processed due to timing, which expenses will be submitted at a later date. Attached hereto as **Exhibit A** is a schedule summarizing actual and necessary expenses recorded during the March Compensation Period.

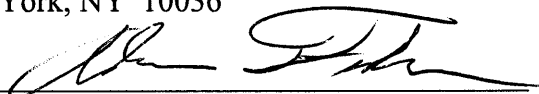
5. A summary of all fees and out-of-pocket expenses applied for in this Monthly Statement is outlined below:

Interim Period	Total Fees	Less Holdback @ 10%	Fees Due	Total Expenses	Amount Due
March 1 – March 31, 2005	\$28,100.00	\$2,810.00	\$25,290.00	\$454.06	\$25,744.06

6. Attached hereto as **Exhibit B** is an invoice summarizing the hours billed by each professional at FTI, each professional’s respective hourly rates, fees charged and expenses incurred during the March Compensation Period.

7. Attached hereto as **Exhibit C** is a copy of the detailed Statement of Services Rendered, including a detailed accounting of time, task code, a description of the task performed by each professional during the March Compensation Period.

FTI Consulting, Inc.  
3 Times Square  
New York, NY 10036

BY:   
Adrian Frankum  
Managing Director

FTI Consulting, Inc.  
 Exhibit A of March Monthly Fee Statement  
 Statement of Expenses Incurred  
 Pegasus Satellite Television, Inc., et. al.  
 Case No. 04-20878

Professional	Title	Date	Description	Transportation	Lodging	Telephone	Sundry	Meals	Total Expense
Adrian Frankum	Managing Director	3/17/2005	Taxi from office to home while working late.	12.00					12.00
Adrian Frankum	Managing Director	3/1/2005	Dinner expense while working late in office.					22.15	22.15
Eric Shakun	Associate	3/15/2005	Internet provider charges for 3/15/05.				9.95		9.95
Eric Shakun	Associate	3/15/2005	Lodging in Philadelphia for 1 night, check in 3/14/05 - check out 3/15/05.		215.46				215.46
Eric Shakun	Associate	3/15/2005	Train from New York City to Philadelphia.	102.00					102.00
Eric Shakun	Associate	3/15/2005	Taxi from Philadelphia train station to client site.	16.00					16.00
Eric Shakun	Associate	3/15/2005	Taxi from client to hotel.	19.00					19.00
Eric Shakun	Associate	3/15/2005	Dinner expense while working late in Philadelphia.					24.50	24.50
Eric Shakun	Associate	3/15/2005	Breakfast expense while working in Philadelphia.					12.00	12.00
Eric Shakun	Associate	3/15/2005	Taxi from client to Philadelphia train station.	21.00					21.00
				170.00	215.46	-	9.95	58.65	454.06

**Exhibit B**  
**Invoice from FTI Consulting, Inc (“FTI”)**  
**Financial Advisor to Pegasus Satellite Television, Inc. et. Al**  
**(“Debtors”)**

This Invoice for compensation covers the following amounts for each of the professionals, from FTI, that provided financial advisory services to the Debtor during the period March 1, 2005 to March 31, 2005 (“March Compensation Period”).

Applicant:	Hours:	Rate:	Fees:	Expenses:	Total:
Randall S. Eisenberg	1.2	\$625.00	\$750.00	\$0.00	\$750.00
Adrian Frankum	28.6	\$560.00	\$16,016.00	\$34.15	\$16,050.15
Jarod Wada	1.1	\$445.00	\$489.50	\$0.00	\$489.50
Scott Lyman	6.0	\$205.00	\$1,230.00	\$0.00	\$1,230.00
Eric Shakun	46.9	\$205.00	\$9,614.50	\$419.91	\$10,034.41
<b>Total</b>	<b>83.8</b>		<b>\$ 28,100.00</b>	<b>\$454.06</b>	<b>\$28,554.06</b>
<b>Less Holdback <sup>1</sup></b>			<b>\$ (2,810.00)</b>	<b>\$ 0.00</b>	<b>\$ (2,810.00)</b>
<b>Payment Due</b>			<b><u>\$ 25,290.00</u></b>	<b><u>\$ 454.06</u></b>	<b><u>\$25,744.06</u></b>

<sup>1</sup> In accordance with the Administrative Order for Interim Compensation for professionals dated June 24, 2004, FTI is requesting a payment of \$25,744.06 which equates to 90% of fees for services rendered during the Invoice Period (\$25,290.00) and 100% of expenses incurred during the Invoice Period (\$454.06).

FTI Consulting, Inc.  
Exhibit C of March Monthly Fee Statement  
Statement of Services Rendered  
Pegasus Satellite Television, Inc., et. al.  
Case No. 04-20878

Date	Professional	Title	Task Code	Description	Hours
3/1/2005	Adrian Frankum	Managing Director	H	Call with S. Hammond (Debtor) re: High and Low estimates for individual claims.	1.1
3/1/2005	Adrian Frankum	Managing Director	H	Review most recent update of Debtor claims database.	0.7
<b>3/1/2005 Total</b>					<b>1.8</b>
3/2/2005	Jarod Wada	Director	A	Manage billing and collections for project.	1.1
3/2/2005	Eric Shakun	Associate	H	Update the Debtor claims database.	1.0
<b>3/2/2005 Total</b>					<b>2.1</b>
3/3/2005	Adrian Frankum	Managing Director	I	Create recovery analysis and review subordination documentation to properly show differences in recoveries at PSC between notes and other creditors.	2.9
3/3/2005	Adrian Frankum	Managing Director	I	Call with P. Caruso (Sidley) re: confirmation and events on the effective date.	0.6
3/3/2005	Eric Shakun	Associate	H	Update the Estimated Claims Reserve based upon comments from A. Frankum (FTI).	2.0
<b>3/3/2005 Total</b>					<b>5.5</b>
3/4/2005	Eric Shakun	Associate	H	Analysis of Wachovia claims for potential objection.	0.6
3/4/2005	Eric Shakun	Associate	H	Update High Low estimates for the allowed claims analysis.	0.4
3/4/2005	Eric Shakun	Associate	I	Review and update the recovery analysis.	1.0
3/4/2005	Eric Shakun	Associate	H	Meeting with M. Orffitelli and J. Levine (both Trumbull) re: Warner Bros.	0.3
3/4/2005	Eric Shakun	Associate	H	Research Warner Bros claims.	0.4
3/4/2005	Eric Shakun	Associate	H	Reconcile the scheduled claims to the allowed claims analysis and reserve analysis.	1.3
<b>3/4/2005 Total</b>					<b>4.0</b>
3/7/2005	Adrian Frankum	Managing Director	I	Build reserve analysis for use in plan confirmation proceedings.	3.5
3/7/2005	Adrian Frankum	Managing Director	H	Call with S. Hammond (Debtor) re: allowed claims, recoveries and reserves.	1.3
3/7/2005	Adrian Frankum	Managing Director	H	Revise claims analysis based upon S. Hammond's (Debtor) comments.	1.1
3/7/2005	Adrian Frankum	Managing Director	H	Update reserve analysis and perform detailed review of claims.	0.9
<b>3/7/2005 Total</b>					<b>6.8</b>
3/8/2005	Adrian Frankum	Managing Director	I	Review database and recovery schedules in preparation for call on these analyses with management and Sidley.	0.8
3/8/2005	Adrian Frankum	Managing Director	H	Call with T. Lodge, S. Hammond and M. Eyer (all Debtor) and P. Caruso (Sidley) to review and walk through allowed claims, recoveries and reserves for distribution to the Committee.	0.9
3/8/2005	Adrian Frankum	Managing Director	H	Call with P. Caruso (Sidley) re: rejection claims and strategy for disposing with.	0.5
3/8/2005	Adrian Frankum	Managing Director	H	Call with S. Hammond (Debtor) re: taxes.	0.3
3/8/2005	Adrian Frankum	Managing Director	I	Revise reserve analysis and recoveries model as directed by T. Lodge (Debtor).	3.7
3/8/2005	Randall S. Eisenberg	Senior Managing Director	H	Review status of the Debtor.	1.2
<b>3/8/2005 Total</b>					<b>7.4</b>
3/9/2005	Adrian Frankum	Managing Director	H	Prepare for and participate in call with S. Hammond (Debtor) to review information on claims and other matters required by the Committee and the Liquidating Trustee.	1.3
3/9/2005	Adrian Frankum	Managing Director	H	Review classification of filed claims (secured, unsecured, priority, etc.) to ensure that additional objections relating to classifications are not required.	0.4
3/9/2005	Adrian Frankum	Managing Director	H	Call with P. Caruso (Sidley) re: Collecttech claims and possible settlement.	0.2
3/9/2005	Adrian Frankum	Managing Director	H	Create analysis requested by Sidley re: litigation/disputed claims and rejection claims.	0.3
3/9/2005	Adrian Frankum	Managing Director	I	Prepare instructions for E. Shakun (FTI) re: items to do for next week's meeting with the Liquidating Trustee.	0.2
3/9/2005	Adrian Frankum	Managing Director	H	Review potential administrative claims.	0.3
3/9/2005	Adrian Frankum	Managing Director	I	Develop a methodology for estimation and advise S. Hammond (Debtor) on the process.	0.2
3/9/2005	Adrian Frankum	Managing Director	I	Discuss upcoming meeting with the Liquidating Trustee with P. Caruso (Sidley).	0.2
3/9/2005	Scott Lyman	Associate	B	Prepare February Fee Statement.	4.0
<b>3/9/2005 Total</b>					<b>7.1</b>
3/14/2005	Eric Shakun	Associate	I	Meeting at Debtor with Akin Gump of Creditors Committee and Liquidating Trustee re: Claims and Liquidation Analysis.	3.0
3/14/2005	Eric Shakun	Associate	H	Meeting with C. Sewell (Debtor) re: responses to tax claim objections and Fourth Omnibus claims objections.	0.9

Date	Professional	Title	Hours	Task Code	Description
3/14/2005	Eric Shakun	Associate	0.7	I	Review and update the claims Estimated Recovery Analysis based upon comments from S. Hammond (Debtor) and D. Quigley (Debtor).
3/14/2005	Eric Shakun	Associate	2.6	I	Meeting with Debtor, Sidley and Akin Gump of Creditor's Committee re: Cash Flow analysis of Debtor.
3/14/2005	Eric Shakun	Associate	0.8	H	Review claims objection responses and update the Claims Database.
<b>3/14/2005 Total</b>			<b>8.0</b>		
3/15/2005	Scott Lyman	Associate	2.0	H	Review claims objection exhibits.
3/15/2005	Eric Shakun	Associate	0.7	H	Meeting with D. Black (Liquidating Trustee) to demonstrate claims database and discuss outstanding claims.
3/15/2005	Eric Shakun	Associate	0.7	I	Review and update the liquidation analysis based upon comments by S. Hammond (Debtor).
<b>3/15/2005 Total</b>			<b>3.4</b>		
3/18/2005	Adrian Frankum	Managing Director	0.5	H	Call with P. Caruso (Sidley) to discuss the status of the third round objections and timing issues relating to the remaining claims objections.
3/18/2005	Adrian Frankum	Managing Director	1.6	H	Review fourth round objections to date and agenda for third round hearing.
<b>3/18/2005 Total</b>			<b>2.1</b>		
3/21/2005	Eric Shakun	Associate	0.5	H	Preparation of Fourth Omnibus claims exhibits.
3/21/2005	Eric Shakun	Associate	0.5	H	Review Third Omnibus claim objection responses and update the claims master file based upon responses.
<b>3/21/2005 Total</b>			<b>1.0</b>		
3/22/2005	Eric Shakun	Associate	2.0	H	Update tax claims for Fourth Omnibus objection based upon comments from A. Barna (Debtor) and C. Sewell (Debtor).
<b>3/22/2005 Total</b>			<b>2.0</b>		
3/23/2005	Eric Shakun	Associate	3.0	H	Quality review of claims objections in the Third Omnibus Amended Order.
3/23/2005	Eric Shakun	Associate	0.4	H	Meeting with L. Franzone (Sidley) and M. McClintock (Sidley) re: Third Omnibus amended exhibits.
3/23/2005	Eric Shakun	Associate	0.6	H	Quality review of amended order prepared by Sidley.
3/23/2005	Eric Shakun	Associate	1.0	H	Update the master claims database based upon updates to the amended Third Omnibus exhibits.
<b>3/23/2005 Total</b>			<b>5.0</b>		
3/24/2005	Eric Shakun	Associate	0.7	H	Update the master claims database for withdrawn and new claims.
3/24/2005	Eric Shakun	Associate	0.5	H	Quality review of the Third Omnibus amended order.
3/24/2005	Eric Shakun	Associate	0.4	H	Call with M. McClintock (Sidley) to discuss the Third Omnibus amended order and Collectech claims.
3/24/2005	Eric Shakun	Associate	2.0	H	Review of the tax proof of claims for the Fourth Omnibus objection.
3/24/2005	Eric Shakun	Associate	1.0	H	Review and summarize the rejection proof of claim filed against the Debtor.
3/24/2005	Eric Shakun	Associate	0.6	H	Updates to the claim exhibits for late claims based upon guidance from M. Orfitelli (Trumbull).
3/24/2005	Eric Shakun	Associate	0.2	H	Send emails to M. Orfitelli (Trumbull) re: late filed claims and claimant notification.
3/24/2005	Eric Shakun	Associate	0.6	H	Update the Fourth Omnibus claim objection exhibits.
<b>3/24/2005 Total</b>			<b>6.0</b>		
3/25/2005	Adrian Frankum	Managing Director	1.7	H	Analyze rejection claims for upcoming discussion with management and Sidley.
3/25/2005	Adrian Frankum	Managing Director	0.4	H	Discussion with P. Caruso (Sidley) re: rejection claims analysis.
3/25/2005	Eric Shakun	Associate	0.7	H	Quality review of Fourth Omnibus claims exhibits.
3/25/2005	Eric Shakun	Associate	0.9	H	Meeting with A. Barna (Debtor) re: tax claim treatment on the Fourth Omnibus objection.
3/25/2005	Eric Shakun	Associate	2.7	H	Prepare the Fourth Omnibus claims exhibits.
3/25/2005	Eric Shakun	Associate	2.0	H	Review the tax claim information provided by A. Barna (Debtor).
3/25/2005	Eric Shakun	Associate	0.7	H	Update master claim file to reflect the Fourth Omnibus claim objections.
<b>3/25/2005 Total</b>			<b>9.1</b>		
3/28/2005	Adrian Frankum	Managing Director	0.8	H	Meet with E. Shakun (FTI) to discuss fourth round claims objections.
3/28/2005	Adrian Frankum	Managing Director	0.5	H	Call with M. McClintock (Sidley) re: administrative claims and related objections.
3/28/2005	Adrian Frankum	Managing Director	1.1	H	Review current version of exhibits for fourth round claims objections.
3/28/2005	Eric Shakun	Associate	0.8	H	Meet with A. Frankum (FTI) to discuss fourth round claims objections.

FTI Consulting, Inc.  
 Exhibit C of March Monthly Fee Statement  
 Statement of Services Rendered  
 Pegasus Satellite Television, Inc., et. al.  
 Case No. 04-20878

Date	Professional	Title	Hours	Task Code	Description
3/28/2005	Eric Shakun	Associate	2.6	H	Quality review of the Fourth Omnibus objection.
3/28/2005	Eric Shakun	Associate	0.1	H	Phone call with S. Hammond (Debtor) re: approval of Fourth Omnibus objection.
3/28/2005	Eric Shakun	Associate	0.4	H	Phone call with A. Barna (Debtor) to discuss and obtain approval for Tax Claims on the Third Omnibus objection.
3/28/2005	Eric Shakun	Associate	0.9	H	Review Sidley's draft of the Fourth Omnibus objection.
3/28/2005	Eric Shakun	Associate	0.4	H	Review Trumbull database and email Sidley re: Secured Property Claims.
3/28/2005	Eric Shakun	Associate	0.6	H	Call with M. McClintock (Sidley) and S. Navab (Trumbull) re: processing of admin claims.
3/28/2005	Eric Shakun	Associate	0.8	H	Update the claims to be reclassified exhibit based on conversations with A. Frankum (FTI) re: Priority Claims.
3/28/2005	Eric Shakun	Associate	0.3	H	Update the claims exhibits based upon comments from M. McClintock (Sidley) and A. Frankum (FTI) re: Georgia and Penn tax claims.
3/28/2005	Eric Shakun	Associate	1.1	H	Research of claims including Georgia tax claim, PA tax claim and Nelson Satellite. Discuss claims w/ M. McClintock (Sidley) and A. Barna (Debtor).
<b>3/28/2005 Total</b>			<b>10.4</b>		
3/29/2005	Eric Shakun	Associate	1.3	H	Review and update claim exhibits based upon comments from M. Eyer (Debtor) and M. McClintock (Sidley).
3/29/2005	Eric Shakun	Associate	0.2	H	Email the final drafts claim exhibits to M. Orfitelli (Trumbull) and discuss notification procedures for the Fourth Omnibus.
<b>3/29/2005 Total</b>			<b>1.5</b>		
3/31/2005	Adrian Frankum	Managing Director	0.6	H	Call with S. Hammond (Debtor) re: claims estimates.
<b>3/31/2005 Total</b>			<b>0.6</b>		
<b>Total Hours Billed</b>			<b>83.8</b>		



**FTI Consulting, Inc.**

**Task Codes for Exhibit C**

**Pegasus Satellite Television, Inc. et. al.**

**Case No. 04-20878**

<b>Code</b>	<b>Task Description</b>
<b>A</b>	<b>Case Administration / Travel</b>
<b>B</b>	<b>Fee Statement and Fee Application (Prepare Fee Application)</b>
<b>C</b>	<b>Statements and Schedules (Prepare Schedules and Statement of Financial Affairs)</b>
<b>D</b>	<b>First Day Order Support including Strategy</b>
<b>E</b>	<b>Cash flow / cash management/ cash collateral support</b>
<b>F</b>	<b>Executory Contract Analysis</b>
<b>G</b>	<b>Work plan support</b>
<b>H</b>	<b>Claims Analysis and Support</b>
<b>I</b>	<b>Plan of reorganization/confirmation support</b>
<b>J</b>	<b>Accounting systems /Financial Reporting and MOR Support</b>
<b>K</b>	<b>Assistance in preparation and analysis for interested parties</b>
<b>L</b>	<b>Meetings and Correspondence with Debtors or UCC and/or its Professionals</b>
<b>M</b>	<b>Court Appearances &amp; Trial Preparation</b>