

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE

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

**FINAL APPLICATION OF MILLER BUCKFIRE & CO., LLC, AS
INVESTMENT BANKER AND FINANCIAL ADVISOR TO THE DEBTORS,
FOR ALLOWANCE OF COMPENSATION FOR PROFESSIONAL SERVICES
RENDERED AND FOR REIMBURSEMENT OF ACTUAL AND NECESSARY
EXPENSES INCURRED FROM JUNE 2, 2004 THROUGH
AND INCLUDING THE EFFECTIVE DATE OF THE PLAN**

Name of Applicant:	Miller Buckfire & Co., LLC
Persons Providing Professional Services:	Marc D. Puntus, Lloyd A. Sprung, Stuart E. Erickson, Roopesh K. Shah, James M. Lucania, Shantanu Agrawal, Andrew T. Holt, Kevin Haggard and Molly Hartman
Authorized to Provide Professional Services to:	Pegasus Satellite Communications, Inc., et al.
Date of Retention:	July 1, 2004, as amended August 2, 2004; effective June 2, 2004
Period for Which Compensation and Reimbursement is Sought:	June 2, 2004 through and including the Effective Date of the Plan (May 5, 2005)
Amount of Compensation Sought:	\$7,325,000
Amount of Expense Reimbursement Sought as Actual, Reasonable and Necessary:	\$48,429.04
Amount of Cash Payment Sought:	\$787,918.37

This is a: __ monthly __ interim x final application.
The total time expended for preparation of this application is approximately 40 hours and the corresponding compensation requested is approximately \$0.00.

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TO THE HONORABLE JAMES B. HAINES, JR.
UNITED STATES BANKRUPTCY JUDGE:

Miller Buckfire & Co., LLC (“Miller Buckfire”)¹, investment banker and financial advisor to the above-captioned debtors and debtors in possession (collectively, the “Debtors”), as and for its final application (the “Application”), pursuant to sections 328(a), 330(a) and 331 of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), for the allowance of compensation for professional services performed by Miller Buckfire for the period from June 2, 2004 through and including the Effective Date (as defined herein) (the “Application Period”) of the Debtors’ Amended Joint Plan of

¹ This Court approved the Debtors’ retention of Miller Buckfire Lewis Ying & Co., LLC (“MBLY”) as financial advisor and investment banker pursuant to the Interim Retention Order entered July 1, 2004 (defined below), and the Final Retention Order entered August 2, 2004 (defined below). MBLY changed its name to Miller Buckfire & Co., LLC in May 2005.

Reorganization, dated January 31, 2005 (the “Plan”), and for reimbursement of its actual and necessary expenses incurred in connection therewith, respectfully represents:

Background

1. On June 2, 2004 (the “Commencement Date”), each of the Debtors commenced with the Court a case under chapter 11 of the Bankruptcy Code. The Debtors continued to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code during the Application Period.

2. On June 4, 2004, the Debtors applied to the Court, pursuant to sections 328(a) and 330 of the Bankruptcy Code, for an order authorizing them to retain Miller Buckfire as their investment banker and financial advisor (the “Retention Application”), effective as of the Commencement Date (June 2, 2004), pursuant to an engagement letter dated May 27, 2004 (the “Engagement Letter”). A copy of the Engagement Letter is annexed hereto as Exhibit A.

3. On July 1, 2004, the Court entered an order (the “Interim Retention Order”), pursuant to sections 328(a) and 330 of the Bankruptcy Code, authorizing the Debtors to employ Miller Buckfire as their investment banker and financial advisor effective as of the Commencement Date (June 2, 2004), pursuant to the terms of the Engagement Letter. The hearing on the Transaction Fee² component of the Engagement Letter was continued to July 28, 2004.

² Defined terms used herein but not defined herein shall have the meanings ascribed to such terms in the Engagement Letter.

4. On August 2, 2004, the Court entered an order (the “Final Retention Order”), pursuant to sections 328(a) and 330 of the Bankruptcy Code, authorizing, on a final basis, the Debtors to employ Miller Buckfire as their financial advisor and investment banker pursuant to the terms of the Engagement Letter, as amended by the provisions of the Final Retention Order. Copies of the Interim Retention Order and the Final Retention Order are annexed hereto as Exhibit B.

5. On June 24, 2004, the Court entered an order (the “Administrative Order”), pursuant to Sections 105(a) and 331 of the Bankruptcy Code, establishing procedures for the interim compensation and reimbursement of professionals. Pursuant to the Administrative Order, the Court authorized a 10% fee “holdback” for all professionals of the Debtors’ estates.

6. On August 26, 2004, the Court entered an order (the “Global Settlement Order”) authorizing and approving the Global Settlement Agreement (as such term is defined in the Global Settlement Order) and the agreements executed in connection therewith (the “Global Settlement”). As an integral component of the Global Settlement, the Court authorized the Debtors to sell, transfer and convey to DIRECTV (the “DBS Sale”), pursuant to section 363 of the Bankruptcy Code, substantially all of the assets that comprised the Debtors’ direct broadcast satellite (“DBS”) business (the “DBS Business”) on the terms and subject to the conditions set forth in that certain Asset Purchase Agreement (as such term is defined in the Global Settlement Order). On August 27, 2005, the DBS Sale was consummated and the Debtors’ transferred the DBS Business to DIRECTV.

7. On September 1, 2005, pursuant to the terms of the Engagement Letter as revised and approved pursuant to the Final Retention Order, the Debtors paid to Miller Buckfire \$6,575,000, which amount represented the Sale Transaction Fee (defined and described below) less the 10% fee “holdback” and 100% crediting of Monthly Advisory Fees (defined below) paid by the Debtors to Miller Buckfire.

8. On April 15, 2005, the Court entered an order (the “Confirmation Order”) confirming the Plan. On May 5, 2005 (the “Effective Date”), the Plan became effective in accordance with its terms. On the Effective Date, the Debtors’ assets were transferred to the Liquidating Trust (as defined in the Plan) for distribution in accordance with the terms of the Plan.

9. This is the Application of Miller Buckfire for (i) final allowance of compensation for services rendered during the Application Period and (ii) reimbursement of expenses incurred during the Application Period.

10. This Application is made pursuant to sections 328(a), 330 and 331 of the Bankruptcy Code, Bankruptcy Rule 2016, the Final Retention Order, the Administrative Order, the Plan, the Confirmation Order and the Local Rules of the United States Bankruptcy Court for the District of Maine.

Retention of Miller Buckfire

11. The Interim Retention Order and the Final Retention Order approved the Debtors’ retention of Miller Buckfire, on a final basis, pursuant to the terms of the Engagement Letter, as modified by the provisions of the Final Retention Order.

Specifically, Miller Buckfire was retained as investment banker and financial advisor to provide, among others, the following professional services:

- a. Assisting the Debtors in the analysis, design and formulation of their various options in connection with a Restructuring and/or Sale (each as defined in the Engagement Letter);
- b. Advising and assisting the Debtors in structuring and effectuating the financial aspects of a Restructuring and/or Sale;
- c. Providing financial advice and assistance to the Debtors in developing and seeking approval of a Restructuring Plan, including assisting the Debtors in negotiations with entities or groups affected by the Restructuring Plan; and
- d. Identifying and negotiating with potential acquirors in connection with any Sale.

12. Subsequent to entry of the Interim Retention Order, the Debtors and Miller Buckfire reached an agreement with the Official Committee of Unsecured Creditors (the “Committee”) to reduce the amount of each of the Restructuring Transaction Fee and the Sale Transaction Fee from \$11,250,000, as set forth in the Engagement Letter, to \$7,500,000. Miller Buckfire also agreed to increase the crediting of its \$175,000 Monthly Advisory Fee from 50% for the first twelve months of the engagement and no crediting thereafter, as set forth in the Engagement Letter, to 100% of all Monthly Advisory Fees earned during the term of the engagement. Accordingly, the Restructuring Transaction Fee and/or Sale Transaction Fee were and are to be reduced, dollar for dollar, by all Monthly Advisory Fees earned. Notably, the agreement with the Committee was finalized and approved by the Court (without objection) subsequent to the Debtors’ finalizing negotiations in respect of the DBS Sale and related Global Settlement.³

³ The Debtors’ motion seeking approval of the DBS Sale and the Global Settlement was filed on August 3, 2004.

Accordingly, pursuant to the terms of the Engagement Letter, as approved and modified by the Final Retention Order, Miller Buckfire is entitled to compensation for its services as follows:

- a. A monthly financial advisory fee of \$175,000 (the "Monthly Advisory Fee"), with 100% of the total amount of Monthly Advisory Fees paid by the Company to be credited against the Restructuring Transaction Fee and the Sale Transaction Fee;
- b. A transaction fee (a "Restructuring Transaction Fee"), contingent upon the consummation of a Restructuring and payable at the closing thereof, equal to \$7,500,000;
- c. A transaction fee (a "Sale Transaction Fee"), contingent upon the consummation of a Sale and payable at the closing thereof, which shall be equal to \$7,500,000; and
- d. A transaction fee (the "Broadcast Sale Fee") in respect of any Sale of the Debtors' broadcast television assets (the "Broadcast Assets"), contingent upon the consummation of such a Sale and payable at the closing thereof, equal to 1% of the Aggregate Consideration (as defined in the Engagement Letter) up to \$75,000,000 plus 2% of the Aggregate Consideration in excess of \$75,000,000.

13. The Engagement Letter also provides for a \$500,000 retainer, which was paid to Miller Buckfire prior to the Commencement Date, of which \$491,918.39 remains after charging of pre-petition expenses (which occurred prior to the Commencement Date).

Miller Buckfire proposes to apply the remaining retainer balance to the Broadcast Sale Fee when it is earned. Lastly, the Engagement Letter provides for the reimbursement by the Debtors of Miller Buckfire's reasonable out-of-pocket expenses.

Relief Requested

14. Pursuant to this Application, Miller Buckfire requests entry of an order: (i) granting final allowance of compensation of \$7,325,000 in respect of services rendered by Miller Buckfire during the Application Period and reimbursement of expenses of

\$48,429.04; (ii) authorizing and directing the Liquidating Trust to pay to Miller Buckfire the amount of \$787,918.37, which amount represents 100% of the Sale Transaction Fee and expenses incurred during the Application Period, less amounts paid by the Debtors to Miller Buckfire upon closing and consummation of the DBS Sale and applicable credits; and (iii) granting such other and further relief as the Court deems just and proper.

15. The following table sets forth the professional fees and expense reimbursements that have been paid to Miller Buckfire during the Application Period and the professional fees and expenses remaining to be paid to Miller Buckfire:

<u>Fees Paid to Date</u>	
Sale Transaction Fee	\$7,500,000.00
Less: 10% Holdback of Sale Transaction Fee	(750,000.00)
Less: 100% Crediting of Monthly Fees Paid (one month pre-petition)	(175,000.00)
Total Fees Paid to Date	<u>\$6,575,000.00</u>
<u>Post-Petition Monthly Fees Earned</u>	
June 2004 through April 2005	\$1,925,000.00
Less: 100% Crediting	(1,925,000.00)
Total Monthly Fees Paid and to be Paid	<u>\$0.00</u>
<u>Remaining Fees to be Paid</u>	
Sale Transaction Fee Holdback	\$750,000.00
Total Remaining Fees to be Paid	<u>\$750,000.00</u>
Total Fees Paid and to be Paid	<u>\$7,325,000.00</u>
<u>Expenses</u>	
Total Expenses Requested	\$48,429.04
Less: Expenses Paid to Date	(10,510.67)
Remaining Expenses to be Paid	<u>\$37,918.37</u>
Total Remaining Fees and Expenses to be Paid	\$787,918.37

16. Miller Buckfire respectfully submits that the allowance and payment of the foregoing fees and reimbursement of the foregoing expenses is appropriate, is in the best interests of the Debtors' estates and should be approved by the Court. In addition, Miller Buckfire respectfully submits that the compensation requested for services rendered by Miller Buckfire to the Debtors is in accordance with the terms of the Engagement Letter

as approved and modified by the Final Retention Order pursuant to section 328(a) of the Bankruptcy Code, and is also fully justified and reasonable pursuant to Section 330 of the Bankruptcy Code based upon the (i) complexity of issues presented; (ii) skill required to perform the financial advisory services properly; (iii) preclusion of other similar employment; (iv) customary fees charged to clients in bankruptcy and non-bankruptcy situations for similar services rendered; (v) time constraints required by the exigencies of these cases; (vi) experience, reputation and ability of the professionals rendering services; (vii) time and labor required; (viii) success of the Debtors in effecting the sale of the DBS Business and the Global Settlement; and (ix) progress to date in the sale of the Broadcast Assets.

Supporting Materials

17. A copy of the Engagement Letter is annexed hereto as Exhibit A. Copies of the Interim Retention Order and the Final Retention Order are annexed hereto as Exhibit B. A summary of the expenses for which reimbursement is being sought is annexed hereto as Exhibit C. A summary of the hours expended by Miller Buckfire professionals during the Application Period is annexed hereto as Exhibit D.

The Miller Buckfire Team

18. The financial services provided by Miller Buckfire to the Debtors were performed primarily by: Marc D. Puntus, Managing Director; Lloyd A. Sprung, Principal; Stuart E. Erickson, Principal; Roopesh K. Shah, Principal; James M. Lucania, Associate; Shantanu Agrawal, Analyst; Andrew T. Holt, Analyst; Kevin Haggard, Summer Associate; Molly Hartman, Summer Analyst; and other professionals of Miller Buckfire, as needed. By and through the above-named persons, Miller Buckfire has

advised the Debtors on a regular basis with respect to various matters in these cases and has performed the services described below.

Pre-Petition Services Rendered by Miller Buckfire

19. Miller Buckfire performed substantial services for the Debtors prior to the Commencement Date. Prior to the Commencement Date, Miller Buckfire's activities included (i) assisting the Debtors in the refinement of their business plan and cash flow projections; (ii) developing and evaluating potential restructuring alternatives for the Debtors; (iii) participating in numerous meetings and conference calls with the Board of Directors of the Debtors regarding potential strategic alternatives for the Debtors; (iv) arranging and coordinating meetings with the steering committee of the Debtors' senior secured lenders (the "Bank Steering Committee") to discuss sale and restructuring alternatives; (v) coordinating due diligence requests and meetings on behalf of the Debtors with the Bank Steering Committee and their advisors; and (vi) developing a preliminary valuation and debt capacity analysis on behalf of the Debtors to inform such lender discussions.

Post-Petition Services Rendered by Miller Buckfire

20. Prior to the DBS Sale, the DBS Business was the largest independent distributor of DIRECTV programming with approximately 1.1 million subscribers and the exclusive right to distribute DIRECTV services to approximately 8.4 million households in 41 states. The Debtors maintained the exclusive right to deliver DIRECTV DBS service through membership agreements (the "Membership Agreements") with the National Rural Telecommunication Cooperative ("NRTC"), which, in turn, obtained DBS service for the Debtors and other NRTC members through a distribution agreement with

DIRECTV (the “Distribution Agreement”). On June 1, 2004, after almost five years of litigation among the Debtors, DIRECTV and NRTC, DIRECTV and NRTC voluntarily terminated the Distribution Agreement. NRTC, in turn, sought to effect a prospective termination of the Membership Agreements, effective August 31, 2004, after which date DIRECTV would sever the video signal to the Debtors’ DBS subscribers. Immediately thereafter, DIRECTV began directly marketing and selling DBS services to the Debtors’ subscribers and other households in the Debtors’ exclusive territories. At or about the same time, seizing upon the uncertainty created by the contract terminations, Echostar, DIRECTV’s principal DBS competitor, stepped up its efforts to market and sell DBS services to the Debtors’ subscribers and other households in the Debtors’ exclusive territories. These efforts by DIRECTV and Echostar threatened to destroy the Debtors’ customer relationships and significantly erode the value of the DBS Business.

21. Contemporaneously with the above-described contract terminations, DIRECTV announced an offer to purchase the DBS Business for \$675 per subscriber actually converted to DIRECTV (the “Original DIRECTV Offer”). Assuming that the Original DIRECTV Offer had been accepted and all of the Debtors’ subscribers had successfully converted to DIRECTV (highly unlikely given Echostar’s activities), proceeds to the Debtors’ estates would have been approximately \$732,000,000.⁴

22. On June 10, 2004, the Court entered an order denying the Debtors’ motion for an order staying the impact of the contract terminations pursuant to section 362 of the Bankruptcy Code (the “Stay Denial Order”). Thereafter, on June 21, 2004, the Court entered an order denying the Debtor’s motion for an order preliminarily enjoining the

⁴ The Debtors’ DBS business serviced 1,084,054 subscribers as of June 4, 2004.

DIRECTV and NRTC contract terminations pending a trial on the merits (the “PI Denial Order”). The Court ruled, among other things, that the Debtors’ were unlikely to succeed on the merits at trial. As a consequence of DIRECTV’s and NRTC’s efforts, and the Stay Denial Order and the PI Denial Order, the Debtors and their creditors were confronted with the likelihood that DIRECTV would cease providing service to their DBS subscribers on August 31, 2004.

23. During June and July 2004, despite severe impediments to an effective sale process imposed by the Stay Denial Order, the PI Denial Order, the impending termination of service and DIRECTV’s position that the Debtors were contractually prohibited from selling or otherwise transferring any subscriber information to a competing buyer, the Debtors and Miller Buckfire, together with the Committee and its advisors, led a sale process for the Debtors to generate competitive interest in the DBS Business from remaining major satellite television providers, including Echostar and Cablevision (its now defunct, Voom DBS business). Notwithstanding limited remaining litigation leverage, the Debtors’ deteriorating DBS subscriber base, DIRECTV’s ability to deprive the Debtors of their principal source of revenues after August 31, 2004, DIRECTV’s advantage as the “incumbent” signal provider to the Debtors’ subscribers and, most importantly, the existence of only one possible strategic purchaser other than DIRECTV, Miller Buckfire assisted the Debtors, in concert with the Committee and its advisors, in leveraging the possibility of a sale to Echostar into a sale and settlement with DIRECTV and NRTC that resulted in an increase of DIRECTV’s initial variable offer of \$675 per converted subscriber to a fixed purchase price of over \$960,000,000 (including purchase price adjustments), which translated to approximately \$983 per subscriber, an

increase of over 45% on a per subscriber basis.⁵ Miller Buckfire's efforts on behalf of the Debtors and the estates contributed to a consensual DBS Sale and Global Settlement transaction among the Debtors, the Debtors' parent corporation, Pegasus Communications Corporation ("PCC"), DIRECTV and NRTC, which transaction was supported by the Bank Steering Committee and the Committee. Over an intense three-month period, Miller Buckfire played a lead role in assisting the Debtors in negotiating and structuring the DBS Sale, the Global Settlement Agreement and the Cooperation Agreement, which provided for the sale and orderly transition of the Debtors' DBS subscribers to DIRECTV. On August 27, 2004, the Debtors consummated the DBS Sale and the Global Settlement Agreement, generating proceeds for the Debtors' estates of more than \$960,000,000, an increase of at least \$225,000,000, or 31%, above the value of the Original DIRECTV Offer (assuming conversion of all subscribers).

24. In addition to its efforts in structuring and negotiating the DBS Sale and Global Settlement, Miller Buckfire has been and is currently conducting a comprehensive sale process for the Debtors' Broadcast Assets (described in further detail below). During the 11-month pendency of the chapter 11 cases, Miller Buckfire also has, among other activities, analyzed strategic alternatives for the Debtors; assisted in preparation for the chapter 11 cases; assisted in analyzing and negotiating the Debtors' Key Employee Retention Plan ("KERP"); performed detailed recovery analyses; participated in meetings and conducted numerous conference calls with the Debtors' management, Board of Directors, the Committee and its advisors, the Bank Steering Committee and its advisors and many other parties in interest; and provided testimony at the contested DBS Sale and

⁵ The Debtors' DBS business serviced 976,394 subscribers as of August 20, 2004.

Global Settlement hearings. For purposes of this Application, Miller Buckfire has attempted to divide its work on behalf of the Debtors into seven general project categories, although certain services fall within one or more project categories:

I. Due Diligence

25. This category includes time spent by Miller Buckfire familiarizing itself with the Debtors' businesses, operations, capital structure, corporate and management structures, financial controls, material contracts and agreements, business plans, capital spending plans and cash flow forecasts.

Total Hours Spent: 39.5

II. Case Administration / General Administration

26. This category includes time spent by Miller Buckfire on matters relating to general case administration as well as matters not clearly assignable to another project category. Among other things, Miller Buckfire, in conjunction with Debtors' legal counsel, assisted the Debtors in preparing for the Debtors' chapter 11 filing, "first day" papers and subsequent motions and other matters before the Court, such as the KERP. This category also includes time spent by Miller Buckfire advising the Debtors on overall strategic issues relating to the Debtors' restructuring (including the structure of the Debtors' Plan, means and anticipated timeline of implementation and estimated recoveries) and time spent in meetings (in person and telephonically) relating to multiple subjects.

27. This category also includes time spent by Miller Buckfire preparing fee invoices, monthly statements, expense summaries, time records and drafting this Application.

Total Hours Spent: 417.5

III. Business Plan/Valuation Analysis and Restructuring Strategy

28. This category includes time spent by Miller Buckfire assisting the Debtors in refining their business plan and cash flow forecasts. Miller Buckfire participated in monthly and *ad hoc* reviews of the Company's operations and discussions regarding the assumptions underlying the Debtors' financial forecasts. In addition, Miller Buckfire worked with the Debtors' staff and other professionals to develop the Debtors' financial projections and revise them in response to the performance of the business during the Application Period. Miller Buckfire also assisted the Debtors in evaluating and valuing different strategic alternatives contingent upon the outcome of litigation with DIRECTV and NRTC, including valuation analyses and financial modeling of creditor recoveries under such alternatives.

Total Hours Spent: 352.5

IV. DBS Sale Process and Global Settlement

29. This category includes time spent by Miller Buckfire structuring and negotiating the DBS Sale and Global Settlement Agreement. Activities undertaken by Miller Buckfire relating to the DBS Sale included:

- i) Contacting and arranging meetings and calls with alternative strategic buyers to gauge their prospective interest in the DBS Business and solicit offers;
- ii) Attending meetings and participating on conference calls with employees and officers of the Debtors, their legal advisers and other professionals regarding negotiations with interested parties, including DIRECTV;

iii) Working with the Debtors and their legal counsel, and the Committee and its financial advisors and legal counsel, negotiating and documenting purchase and settlement agreements with DIRECTV (the “DBS Purchase Agreement”), and the related Cooperation Agreement which ensured the orderly transition of DBS subscribers to DIRECTV;

iv) Working with the Debtors and their legal counsel in structuring, negotiating and documenting the DBS Purchase Agreement, the Global Settlement Agreement and related agreements with DIRECTV, NRTC, PCC, the Bank Steering Committee and the Committee;

v) Structuring and negotiating the Debtors’ KERP proposal;

vi) Facilitating negotiations between the Debtors, the Committee and PCC regarding the structuring and documentation of the letter agreement providing for, among other things, PCC to be the stalking horse (subject to final agreement) for the Broadcast Asset sale;

vii) Compiling, drafting and negotiating the pre- and post-closing financial schedules and exhibits included in the DBS Purchase Agreement and the Cooperation Agreement; and

viii) Assisting in obtaining the Court’s approval, including providing testimony at the contested DBS Sale and Global Settlement hearing, of the DBS Purchase Agreement, the Cooperation Agreement and the Global Settlement Agreement.

Total Hours Spent: 439.5

V. Broadcast Sale Process

30. This category includes time spent by Miller Buckfire assisting the Debtors in evaluating, preparing for and executing the sale of the Broadcast Assets. Activities undertaken by Miller Buckfire related to the Broadcast Sale include:

- i.) Attending meetings and participating on conference calls with employees and officers of the Debtors, the Committee, the Liquidating Trustee, their respective legal advisors and other professionals regarding negotiations and critical milestones of the Broadcast Sale process;
- ii.) Identifying potential strategic and financial acquirors;
- iii.) Preparing a detailed information memorandum;
- iv.) Conducting an extensive marketing process, involving solicitation of over 125 potential strategic and financial investors;
- v.) Negotiating non-disclosure agreements with potential acquirors;
- vi.) Coordinating preliminary due diligence efforts on behalf of the Debtors with interested parties in the Broadcast Assets;
- vii.) Structuring a two-stage competitive bidding process for qualification of a proposed stalking horse(s);
- viii.) Collecting and evaluating preliminary (non-binding) letters-of-intent from first round bidders and advising the Debtors' on the qualification of second round bidders;
- ix.) Compiling and managing an online data room;
- x.) Organizing management presentations for second round bidders;

xi.) Assisting the Debtors in preparing management presentation materials for the Broadcast Assets;

xii.) Coordinating and managing onsite due diligence by second round bidders at the Debtors' television studios in Portland, Maine; Wilkes Barre, Pennsylvania; Chattanooga, Tennessee; Tallahassee, Florida; and Gainesville, Florida;

xiii.) Working with the Liquidating Trustee and legal counsel in documenting a form asset purchase agreement ("APA") and related schedules; and

xiv.) Distributing the form APA and detailed final bidding instructions to qualified second round bidders.

31. Since the Effective Date, Miller Buckfire has served and will continue to serve as financial advisor and investment banker to the Liquidating Trustee with respect to the Broadcast Sale. Miller Buckfire is currently managing the due diligence process for the remaining final round bidders, including organizing additional management presentations and facility tours as well as coordinating follow-up due diligence meetings and teleconferences. Over the next month, Miller Buckfire will solicit binding bids from the final round bidders and will assist the Liquidating Trustee in evaluating those bids and selecting the optimal party or parties with whom to negotiate definitive APAs. Miller Buckfire will assist the Liquidating Trustee in negotiating the APAs, and related agreements, with the stalking horse(s), and, thereafter, will conduct an auction for the Broadcast Assets. Miller Buckfire also will provide testimony, to the extent required, at

the hearing seeking approval of the bid procedures and the stalking horse APAs and, if requested, at the Broadcast Sale hearing following an auction should one occur.

Total Hours Spent: 738.0

VI. Travel to, from and on behalf of the Debtors

32. This category reflects non-business time spent traveling to and from the Debtors' offices and other destinations on the Debtors' behalf, including meetings and hearings in Portland, Maine and Bala Cynwyd, Pennsylvania.

Total Hours Spent: 58.0

VII. Creditor Contacts

33. This category reflects the time spent by Miller Buckfire in discussions (as well as the preparation of related analyses and materials) with representatives of the Bank Steering Committee, the Committee and other key creditor constituencies of the Debtors on issues related to the Debtors' chapter 11 cases, including the Debtors' operational results, KERP, cash flow and liquidity positions, business plan and financial projections, provisions of the Debtors' Plan and Disclosure Statement (together with other documentation required to confirm and effectuate the Debtors' chapter 11 reorganization, and status updates on the sale of the Broadcast Assets.

Total Hours Spent: 196.0

Basis for Payment of Requested Fees

34. Miller Buckfire is entitled to receive the fees it has requested in accordance with the express terms of the Engagement Letter as modified and approved pursuant to the Final Retention Order under sections 328(a) and 330 of the Bankruptcy Code. Section 330 of the Bankruptcy Code provides for the award of compensation to

professionals. 11 U.S.C. § 330. Section 330, by its terms, is “subject to” the provisions of section 328 of the Bankruptcy Code. Section 328(a) permits a debtor, with the Court’s approval, to employ a professional person

on any reasonable terms and conditions of employment, including on a retainer, on an hourly basis, or on a contingent fee basis. Notwithstanding such terms and conditions, the court may allow compensation different from the compensation provided under such terms and conditions after the conclusion of such employment, if such terms and conditions prove to have been improvident in light of developments not capable of being anticipated at the time of the fixing of such terms and conditions.

11 U.S.C. § 328(a).

35. In these cases, the Final Retention Order provides that fees to be paid to Miller Buckfire pursuant to the terms of the Engagement Letter “are approved pursuant to section 328(a) of the Bankruptcy Code (and will not be subject to the standard of review set forth in section 330 of the Bankruptcy Code)...”.

36. Clearly, the fees sought in this Application, principally the Sale Transaction Fee less 100% crediting of Monthly Advisory Fees, are provident. Given that the fees were negotiated with the Committee and approved by the Court after the \$960,000,000 DBS Sale was substantially negotiated, the provisions of section 328(a) have been fully satisfied. Moreover, the amount of the fees and expenses sought in this Application and Miller Buckfire’s billing processes are consistent with market practice both in and outside of the bankruptcy context. In identical fashion to the Sale Transaction Fee here, M&A fees are calculated based on aggregate consideration received. Miller Buckfire does not bill its clients based on the number of hours expended by its professionals. Accordingly, Miller Buckfire has not established hourly rates for its professionals, and Miller Buckfire professionals generally do not maintain detailed time records of the work performed for

its clients. Miller Buckfire has, however, maintained time records in the Debtors' cases in accordance with the Interim Retention Order and the Final Retention Order, which provided that Miller Buckfire and its professionals "(i) shall only be required to maintain time records for services rendered post-petition, in half-hour increments, and (ii) shall not be required to provide or conform to any schedule of hourly rates...". A summary of the hours expended by Miller Buckfire professionals in connection with this engagement is annexed hereto as Exhibit D.

37. Miller Buckfire respectfully submits that the services rendered during the Application Period were necessary and substantially benefited the Debtors' estates, and that the compensation requested in this Application is fully justified and reasonable. Accordingly, Miller Buckfire's fees should be approved.

Basis for Payment of Requested Expense Reimbursement

38. As set forth above, by this Application Miller Buckfire seeks reimbursement for the actual, reasonable and necessary expenses incurred by Miller Buckfire during the Application Period in the aggregate amount of \$48,429.04.

39. Annexed hereto as Exhibit C is a summary of actual, reasonable and necessary expenses incurred by Miller Buckfire during the Application Period. Out-of-pocket expenses incurred by Miller Buckfire are charged to a client if the expenses are incurred for the client or are otherwise necessary in connection with services rendered for such client.

No Sharing of Compensation

40. No agreement or understanding prohibited by section 504 of the Bankruptcy Code exists between Miller Buckfire and any other person for sharing of compensation

received or to be received for services rendered in or in connection with these chapter 11 cases, nor has Miller Buckfire shared or agreed to share the compensation paid or to be paid by the Debtors' estates for such services with any person in contravention of section 504 of the Bankruptcy Code.

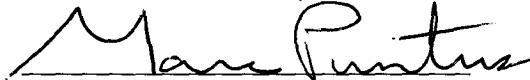
41. No agreement or understanding prohibited by 18 U.S.C. § 155 has been made or will be made by Miller Buckfire in connection with these chapter 11 cases.

The Requested Compensation Should be Allowed

WHEREFORE, Miller Buckfire respectfully requests that the Court enter an order: (i) granting final allowance of compensation of \$7,325,000 in respect of services rendered by Miller Buckfire during the Application Period, and reimbursement of expenses of \$48,429.04; (ii) authorizing and directing the Liquidating Trust to pay to Miller Buckfire the amount of \$787,918.37, which amount represents 100% of the Sale Transaction Fee and expenses incurred during the Application Period, less applicable credits and amounts paid by the Debtors to Miller Buckfire upon consummation of the DBS Sale pursuant to the terms of the Engagement Letter and the Final Retention Order; and (iii) granting such other and further relief as the Court deems just and proper.

Dated: New York, New York
June 16, 2005

Miller Buckfire & Co., LLC



Marc D. Puntus
Managing Director
250 Park Avenue
New York, NY 10177
(212) 895-1800

INVESTMENT BANKER AND
FINANCIAL ADVISOR FOR THE
DEBTORS AND DEBTORS IN
POSSESSION

Exhibit A

Copy of Miller Buckfire Engagement Letter

May 27, 2004

Pegasus Satellite Communications, Inc.

c/o Pegasus Communications Management Company
225 City Line Avenue
Suite 200
Bala Cynwyd, Pennsylvania 19004

Attention: Marshall W. Pagon
Scott Blank

Dear Mr. Pagon:

This letter agreement confirms the terms under which Pegasus Satellite Communications, Inc. (the "Company") has engaged Miller Buckfire Lewis Ying & Co., LLC ("MBLY") on a nonexclusive basis as its financial advisor and exclusive basis as its investment banker with respect to a possible Restructuring, Financing and/or Sale (each as defined below) and with respect to such other financial matters as to which the Company and MBLY may agree in writing during the term of this engagement. For purposes hereof, the term "Company" includes all subsidiaries and affiliates of the Company that become a debtor under Chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") and any entity that the Company or its affiliates may form or invest in to consummate a Restructuring, Financing and/or Sale, and shall also include any successor to or assignee of all or a portion of the assets and/or businesses of the Company pursuant to a Plan (as defined below). If appropriate in connection with performing its services for the Company hereunder, MBLY, with the consent of the Company, may utilize the services of one or more of its affiliates, in which case references herein to MBLY shall include such affiliates.

1. MBLY, as nonexclusive financial advisor and exclusive investment banker to the Company, will perform the following financial advisory and investment banking services:
 - a. General Financial Advisory and Investment Banking Services. MBLY will:
 - i. to the extent it deems necessary, appropriate and feasible, familiarize itself with the business, operations, properties, financial condition and prospects of the Company; and
 - ii. if the Company determines to undertake a Restructuring, Financing and/or Sale advise and assist the Company in structuring and effecting the financial aspects of such a transaction or transactions, subject to the terms and conditions of this agreement.
 - b. Restructuring Services. If the Company pursues a Restructuring, MBLY will:
 - i. provide financial advice and assistance to the Company in developing and seeking approval of a Restructuring plan (as the same may be

modified from time to time, a "Plan"), which may be a plan filed by the Company pursuant to section 1121 of the Bankruptcy Code;

- ii. if requested by the Company, in connection therewith, provide financial advice and assistance to the Company in structuring any new securities to be issued under the Plan;
- iii. if requested by the Company, assist the Company and/or participate in negotiations with entities or groups affected by the Plan; and
- iv. if requested by the Company, participate in hearings before the bankruptcy court having jurisdiction over the Company's chapter 11 cases (the "Bankruptcy Court") with respect to the matters upon which MBLY has provided advice, including, as relevant, coordinating with the Company's counsel with respect to testimony in connection therewith.

For purposes of this agreement, the term "Restructuring" shall mean any recapitalization or restructuring (including, without limitation, through any exchange, conversion, cancellation, forgiveness, purchase, retirement and/or a material modification or amendment to the terms, conditions or covenants) of the Company's preferred equity and/or debt securities and/or other indebtedness, obligations or liabilities, including, without limitation, pursuant to a repurchase or an exchange transaction, a Plan or a solicitation of consents, waivers, acceptances or authorizations.

c. Financing Services. If the Company pursues a Financing, MBLY will:

- i. provide financial advice and assistance to the Company in structuring and effecting a Financing, identify potential Investors (as defined below) and, at the Company's request, contact such Investors;
- ii. if MBLY and the Company deem it advisable, assist the Company in developing and preparing a memorandum (with any amendments or supplements thereto, the "Financing Offering Memorandum") to be used in soliciting potential Investors, it being agreed that (A) the Financing Offering Memorandum shall be based entirely upon information supplied by the Company, (B) the Company shall be solely responsible for the accuracy and completeness of the Financing Offering Memorandum, and (C) other than as contemplated by this subparagraph (c)(ii), the Financing Offering Memorandum shall not be used, reproduced, disseminated, quoted or referred to at any time in any way, except with MBLY's prior written consent; and
- iii. if requested by the Company, assist the Company and/or participate in negotiations with potential Investors.

For purposes of this agreement, the term "Financing" shall mean a private issuance, sale or placement of the equity, equity-linked or debt securities, instruments or obligations of the Company with one or more lenders and/or investors except to the extent issued to existing security holders of the Company in exchange for their existing securities, or any loan or other financing, including any "debtor in possession financing" or "exit financing" in connection with a case under the Bankruptcy Code or a rights offering (each such lender or investor, an "Investor").

It is understood and agreed that nothing contained herein shall constitute an expressed or *implied commitment* by MBLY to act in any capacity or to underwrite, place or purchase any *financing or securities, which commitment shall only be set forth in a separate underwriting, placement agency or other appropriate agreement relating to the Financing.*

- d. Sale Services. If the Company pursues a Sale, MBLY will:
- i. provide financial advice and assistance to the Company in connection with a Sale, identify potential acquirors and, at the Company's request, contact such potential acquirors;
 - ii. at the Company's request, assist the Company in preparing a memorandum (with any amendments or supplements thereto, the "Sale Memorandum") to be used in soliciting potential acquirors, it being agreed that (A) the Sale Memorandum shall be based entirely upon information supplied by the Company, (B) the Company shall be solely responsible for the accuracy and completeness of the Sale Memorandum, and (C) other than as contemplated by this subparagraph (d)(ii), the Sale Memorandum shall not be used, reproduced, disseminated, quoted or referred to at any time in any way, except with MBLY's prior written consent; and
 - iii. if requested by the Company, assist the Company and/or participate in negotiations with potential acquirors.

For purposes of this agreement, the term "Sale" shall mean the disposition to one or more third parties in one or a series of related transactions of (x) all or substantially all of the equity securities of the Company by the security holders of the Company or (y) all or substantially all of the assets (including the assignment of any executory contracts) or businesses of the Company or its subsidiaries, in either case, including through a sale or exchange of capital stock, options or assets, a lease of assets with or without a purchase option, a merger, consolidation or other business combination, an exchange or tender offer, a recapitalization, the formation of a joint venture, partnership or similar entity, or any similar transaction. "Sale" expressly excludes the disposition of the broadcast television assets of the Company.

In rendering its services to the Company hereunder, MBLY is not assuming any responsibility for the Company's underlying business decision to pursue or not to pursue any

business strategy or to effect or not to effect any Restructuring, Financing, and/or Sale or other transaction. The Company agrees that MBLY shall not have any obligation or responsibility to provide accounting, audit, "crisis management," or business consultant services for the Company and shall have no responsibility for designing or implementing operating, organizational, administrative, cash management or liquidity improvements, or to provide any fairness or valuation opinions or any advice or opinions with respect to solvency in connection with any transaction. The Company confirms that it will rely on its own counsel, accountants and similar expert advisors for legal, accounting, tax and other similar advice.

In order to coordinate effectively the Company's and MBLY's activities to effect a Restructuring, Financing or Sale, the Company will promptly inform MBLY of any discussions, negotiations or inquiries regarding a possible Restructuring, Financing or Sale (including any such discussions, negotiations or inquiries that have occurred in the six month period prior to the date of this agreement).

The Company shall make available to MBLY all information concerning the business, assets, operations, financial condition and prospects of the Company that MBLY reasonably requests in connection with the services to be performed for the Company hereunder and shall provide MBLY with reasonable access to the Company's officers, directors, employees, independent accountants and other advisors and agents as MBLY and the Company shall deem appropriate. The Company represents that all information furnished by it or on its behalf to MBLY (including information contained in any Financing Offering Memorandum and/or Sale Memorandum) will be accurate and complete in all material respects. The Company recognizes and confirms that in advising the Company and completing its engagement hereunder, MBLY will be using and relying on publicly available information and on data, material and other information furnished to MBLY by the Company and other parties. It is understood that in performing under this engagement MBLY may assume and rely upon the accuracy and completeness of, and is not assuming any responsibility for independent verification of, such publicly available information and the other information so furnished.

2. Subject to paragraph 11 hereof, MBLY's compensation for services rendered under this agreement will consist of the following cash fees:
 - a. A monthly financial advisory fee of \$175,000 (the "Monthly Advisory Fee"), which shall be due and paid by the Company upon the execution of this agreement and thereafter on each monthly anniversary thereof during the term of this engagement. Upon execution of this agreement, the Company also agrees to pay MBLY a \$500,000 retainer. The retainer shall be used to satisfy Monthly Advisory Fees and expenses due after the payment of the initial Monthly Advisory Fee and will be refunded to the Company to the extent the retainer has not been fully utilized if MBLY is not approved by the Bankruptcy Court to serve hereunder. Fifty percent of the amount of the Monthly Advisory Fees actually paid during the first twelve months of this

engagement will be credited against any Restructuring Transaction Fee or Sale Transaction Fee payable to MBLY pursuant to this agreement.

- b. If at any time during the term of this engagement or within the fifteen full months following the termination of this engagement (including the term of this engagement, the "Fee Period"), (x) any Restructuring is consummated or (y)(1) an agreement in principle, definitive agreement or Plan to effect a Restructuring is entered into and (2) consummated, MBLY shall be entitled to receive a transaction fee (a "Restructuring Transaction Fee"), contingent upon the consummation of a Restructuring and payable at the closing thereof, equal to \$11,250,000.
- c. If at any time during the Fee Period, (x) any Sale is consummated or (y)(1) an agreement in principle or definitive agreement to effect a Sale is entered into, and (2) consummated, MBLY shall be entitled to receive a transaction fee (a "Sale Transaction Fee"), contingent upon the consummation of a Sale and payable at the closing thereof, equal to the greater of (i) \$11,250,000 and (ii) the sum of (A) 0.75% of the Aggregate Consideration (as defined below) up to \$1.5 Billion plus (B) 0.50% of the Aggregate Consideration, if any, in excess of \$1.5 Billion.

For purposes of this agreement, the term "Aggregate Consideration" shall mean the total amount of cash and the fair market value (on the date of payment and as agreed by the parties thereto of all securities and other property paid or payable, directly or indirectly, by the acquiring party (the "Acquiror") to the acquired party or the seller of the acquired business (in either case, the "Acquired"), or to the Acquired's contract parties, claim holders, security holders and employees, or by the Acquired to the Acquired's contract parties, claim holders, security holders and employees, in connection with a Sale or a transaction related thereto (including, without limitation, amounts paid by the Acquiror (i) pursuant to covenants not to compete, employment contracts, employee benefit plans or other similar arrangements of the Acquired and (ii) to holders of any warrants, stock purchase rights, convertible securities or similar rights of the Acquired and to holders of any options or stock appreciation rights issued by the Acquired, whether or not vested). Aggregate Consideration shall also include the value of any liabilities (including obligations relating to any capitalized leases and the principal amount of any indebtedness for borrowed money) (x) existing on the Acquired's balance sheet at the time of a Sale or repaid or retired in anticipation of a Sale (if such Sale takes the form of a merger or sale or exchange of stock) or (y) assumed directly or indirectly by the Acquiror in connection with a Sale (if such Sale takes the form of a sale or exchange of assets). Aggregate Consideration shall be reduced by the value of any current liabilities not assumed by the Acquiror, each such value as of the closing date of the Sale and as determined by MBLY reasonably and in good faith. If a Sale takes the form of a recapitalization of the Company (including, without limitation, an extraordinary dividend, a spin-off, split-off or similar transaction), Aggregate Consideration shall also include the fair market value (on the closing date of the Sale and as agreed by the parties thereto) of (i) the equity securities of the Company retained by the Company's security holders and/or creditors following the consummation of such transaction and (ii) any cash, securities

(including securities of subsidiaries) or other consideration received by the Company's security holders and/or creditors in exchange for or in respect of securities of and/or claims against the Company in connection with such transaction (all such cash, securities or and/or claims against other consideration received by such security holders and/or creditors being deemed to have been paid to such security holders and/or creditors in such transaction). In the event that any part of the consideration in connection with any Sale will be payable (whether in one payment or a series of two or more payments) at any time following the consummation thereof, the term Aggregate Consideration shall include the present value of such future payment or payments, as determined by MBLY reasonably and in good faith. As used in this agreement, the terms "payment," "paid" or "payable" shall be deemed to include, as applicable, the issuance or delivery of securities or other property other than cash.

- d. If at any time during the Fee Period, the Company (x) consummates any Financing or (y)(1) the Company receives and accepts written commitments for one or more Financings (the execution by a potential financing source and the Company of a commitment letter or securities purchase agreement or other definitive documentation shall be deemed to be the receipt and acceptance of such written commitment) and (2) concurrently therewith or at any time thereafter (including following the expiration of the Fee Period) any Financing is consummated, the Company will pay to MBLY the following (either as underwriting discounts, placement fees or other compensation):
 - i. 1.00% of the gross proceeds of any indebtedness issued that is secured;
 - ii. 2.00% of the gross proceeds of any indebtedness issued that (x) is unsecured and/or (y) is subordinated;
 - iii. 3.00% of the gross proceeds of any equity or equity-linked securities or obligations issued; and
 - iv. with respect to any other securities or indebtedness issued, such underwriting discounts, placement fees or other compensation as shall be customary under the circumstances and mutually agreed by the Company and MBLY.

It is understood and agreed that if the proceeds of any such Financing are to be funded in more than one stage, the aggregate proceeds to be raised in all stages of such Financing shall be deemed to have been received, and MBLY shall be entitled to the applicable compensation hereunder calculated based on such aggregate proceeds, upon the closing date of the first stage thereof.

The Company acknowledges and agrees that the fees payable to MBLY hereunder are reasonable. The Company and MBLY acknowledge and agree that (a) the hours worked, the results achieved and the ultimate benefit to the Company of the work performed, in each case, in connection with this engagement, may be variable, and that the Company and

MBLY have taken this into account in setting the fees hereunder, and (b) more than one fee may be payable to MBL Y under subparagraphs 2(b), 2(c) and/or 2(d) hereof in connection with any single transaction or a series of transactions, it being understood and agreed that (i) 50% of any financing fee payable to MBL Y hereunder 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 payable under this agreement, (ii) 100% of any financing fee payable to MBL Y hereunder in respect of a Financing consummated concurrently with any Restructuring or Sale will be credited against any Restructuring Transaction Fee or Sale Transaction Fee payable under this agreement, and (iii) notwithstanding anything in this agreement to the contrary, MBL Y 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 MBL Y is entitled to receive a fee.

3. Subject to paragraph 11 hereof, in addition to any fees payable by the Company to MBL Y hereunder, the Company shall, whether or not any transaction contemplated by this agreement shall be proposed or consummated, reimburse MBL Y on a monthly basis for its travel and other reasonable out-of-pocket expenses (including all fees, disbursements and other charges of counsel to be retained by MBL Y, and of other consultants and advisors retained by MBL Y with the Company's consent) incurred in connection with, or arising out of MBL Y's activities under or contemplated by this engagement. The Company shall also reimburse MBL Y, at such times as MBL Y shall request, for any sales, use or similar taxes (including additions to such taxes, if any) arising in connection with any matter referred to or contemplated by, this engagement. Such reimbursements shall be made promptly upon submission by MBL Y of statements for such expenses.
4. The Company agrees to indemnify MBL Y and certain related persons in accordance with the indemnification provisions ("Indemnification Provisions") attached to this agreement. Such Indemnification Provisions are an integral part of this agreement, and the terms thereof are incorporated by reference herein. Such Indemnification Provisions shall survive any termination or completion of MBL Y's engagement hereunder.
5. The Company agrees that none of MBL Y, its affiliates or their respective directors, officers, members, managers, agents, employees and controlling persons, or any of their respective successors or assigns ("Covered Persons") shall have any liability to the Company or any person asserting claims on behalf of the Company or in the Company's right for or in connection with this engagement or any transactions or conduct in connection therewith except for losses, claims, damages, liabilities or expenses incurred by the Company which are finally judicially determined to have resulted primarily from the gross negligence or willful misconduct of such Covered Person; provided, however, that in no event shall the Covered Persons' aggregate liability to the Company or any person asserting claims on behalf of the Company or in the Company's right exceed the fees MBL Y actually receives from the Company

pursuant to its engagement hereunder, unless there is a final judicial determination of willful misconduct specified in this sentence.

6. This agreement and MBLY's engagement hereunder may be terminated by either the Company or MBLY at any time, upon prior written notice thereof to the other party; provided, however, that (a) termination of MBLY's engagement hereunder shall not affect the Company's continuing obligation to indemnify MBLY and certain related persons as provided for in this agreement, and its continuing obligations and agreements under paragraphs 5 and 7 hereof, (b) notwithstanding any such termination, MBLY shall be entitled to the full fees in the amounts and at the times provided for in paragraph 2 hereof; provided, however, if the Company becomes a debtor under chapter 11 and the Bankruptcy Court does not approve this engagement, then so long as the Company performed in good faith its obligations under the first sentence of paragraph 11 of this agreement, the Company shall have no obligation to pay MBLY the fees to be paid in accordance with subparagraphs 2(b), 2(c) and 2(d), and (c) any termination of MBLY's engagement hereunder shall not affect the Company's obligation to reimburse expenses accruing prior to such termination to the extent provided in paragraph 3 hereof.
7. MBLY has been retained under this agreement as an independent contractor with no fiduciary or agency relationship to the Company or to any other party with no agency relation to the Company or to any other party, it being understood that MBLY shall have no authority to bind, represent or otherwise act as agent, executor, administrator, trustee, lawyer or guardian for the Company, nor shall MBLY have the authority to manage money or property of the Company. The advice (oral or written) rendered by MBLY pursuant to this agreement is intended solely for the benefit and use of the Board of Directors of the Company in considering the matters to which this agreement relates, and the Company agrees that such advice may not be relied upon by any other person or entity, used for any other purpose or reproduced, disseminated, quoted or referred to at any time, in any manner for any purpose, nor shall any public references to MBLY be made by the Company, without the prior written consent of MBLY.
8. The Company agrees that MBLY shall have the right to place advertisements in financial and other newspapers and journals at its own expense describing its services to the Company hereunder; provided that MBLY will submit a copy of any such advertisement to the Company for its prior approval, which approval shall not be unreasonably withheld or delayed.
9. This agreement shall be deemed to be made in New York. This agreement and all controversies arising from or relating to performance of this agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of New York without giving effect to such state's rules concerning conflicts of laws that might provide for any other choice of law. The Company hereby irrevocably consents to personal jurisdiction in the Supreme Court of the State of New York in New York County, Commercial Part, or any Federal court sitting in the Southern

District of New York for the purposes of any suit, action or other proceeding arising out of this agreement or any of the agreements or transactions contemplated hereby, which is brought by or against the Company, hereby waives any objection to venue with respect thereto, and hereby agrees that all claims in respect of any such suit, action or proceeding shall be heard and determined in any such court, and that such courts shall have exclusive jurisdiction over any claims arising out of or relating to such agreements or transactions; provided that in the event that the Company becomes a debtor under chapter 11 of the Bankruptcy Code, during any such case, any such claims may also be heard and determined in the Bankruptcy Court (as defined below). The Company hereby irrevocably consents to the service of process of any of the aforementioned courts in any such suit, action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to the Company at its address set forth above, such service to become effective ten (10) days after such mailing. ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY CLAIM OR ACTION ARISING OUT OF THIS AGREEMENT OR CONDUCT IN CONNECTION WITH MBLY'S ENGAGEMENT IS HEREBY WAIVED.

10. This agreement may be executed in counterparts, each of which together shall be considered a single document. This agreement shall be binding upon MBLY and the Company and their respective successors and assigns (including, in the case of the Company, any successor to all or a portion of the assets and/or the businesses of the Company under a Plan). This agreement is not intended to confer any rights upon any shareholder, creditor, owner or partner of the Company, or any other person or entity not a party hereto other than the indemnified persons referenced in the Indemnification Provisions contained herein and the Covered Persons referenced above.
11. In the event that the Company becomes a debtor under chapter 11 of the Bankruptcy Code, the Company shall use its reasonable best efforts to promptly apply to the Bankruptcy Court for the approval pursuant to sections 327 and 328 of the Bankruptcy Code of this agreement and MBLY's retention by the Company under the terms of this agreement, and subject to the standard of review provided for in Section 328(a) of the Bankruptcy Code, and not subject to any other standard of review under section 330 of the Bankruptcy Code. The Company shall supply MBLY with a draft of such application and any proposed order authorizing MBLY's retention that is proposed to be submitted to the Bankruptcy Court sufficiently in advance of the filing of such application or the submission of such order, as the case may be, to enable MBLY and its counsel to review and comment thereon. MBLY shall have no obligation to provide any services under this agreement in the event that the Company becomes a debtor under the Bankruptcy Code unless MBLY's retention under the terms of this agreement is approved under Section 328(a) of the Bankruptcy Code by a final order of the Bankruptcy Court no longer subject to appeal, rehearing, reconsideration or petition for certiorari, and which is acceptable to MBLY in all respects. MBLY acknowledges that in the event that the Bankruptcy Court approves its retention by the Company, (i) MBLY shall file appropriate fee

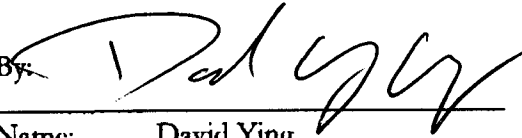
applications in accordance with applicable provisions of the Bankruptcy Code, Bankruptcy Rules, applicable local rules, any guidelines issued by the office of the United States Trustee and any orders issued by the Bankruptcy Court, and (ii) MBLY's fees and expenses shall be subject to the jurisdiction and approval of the Bankruptcy Court under Section 328(a) of the Bankruptcy Code and any applicable fee and expense guideline orders. In the event that the Company becomes a debtor under the Bankruptcy Code and MBLY's engagement hereunder is approved by the Bankruptcy Court, the Company shall pay all fees and expenses of MBLY hereunder as promptly as practicable in accordance with the terms hereof. Prior to commencing a chapter 11 case, the Company shall pay all undisputed amounts theretofore due and payable to MBLY in cash.

12. MBLY agrees to be bound by the provisions of the Confidentiality Agreement dated May 21, 2004 until one year after the termination of this engagement letter; provided, however, if the Company files as a debtor under Chapter 11 and the Bankruptcy Court approves this engagement, this period shall be extended until one year after a Plan is approved.

We are pleased to accept this engagement and look forward to working with the Company. Please confirm that the foregoing is in accordance with your understanding by signing and returning to us the enclosed duplicate of this letter, which shall thereupon constitute a binding agreement between MBLY and the Company.

Very truly yours,

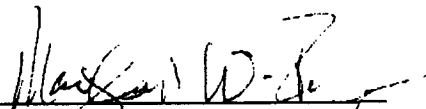
MILLER BUCKFIRE LEWIS YING & CO., LLC

By: 

Name: David Ying
Title: Managing Director

Accepted and Agreed to:

PEGASUS SATELLITE COMMUNICATIONS, INC.

By: 

Name: Marshall W. Pagon
Title: Chairman and Chief Executive Officer

INDEMNIFICATION PROVISIONS

In connection with the engagement of Miller Buckfire Lewis Ying & Co., LLC ("MBLY") as financial advisor to Pegasus Satellite Communications, Inc., the Company hereby agrees to indemnify and hold harmless MBL Y and its affiliates, their respective directors, officers, members, managers, agents, employees and controlling persons, and each of their respective successors and assigns (collectively, the "indemnified persons"), to the full extent lawful, from and against all losses, claims, damages, liabilities and expenses incurred by them which (A) are related to or arise out of (i) actions or alleged actions taken or omitted to be taken (including any untrue statements made or any statements omitted to be made) by the Company or (ii) actions or alleged actions taken or omitted to be taken by an indemnified person with the Company's consent or in conformity with the Company's actions or omissions or (B) are otherwise related to or arise out of MBL Y's activities under MBL Y's engagement. The Company will not be responsible, however, for any losses, claims, damages, liabilities or expenses pursuant to clause (B) of the preceding sentence which are finally judicially determined to have resulted primarily from the gross negligence or willful misconduct of the person seeking indemnification hereunder. To the extent that the Company has paid any expenses incurred by the indemnified persons or otherwise provided indemnification to an indemnified person and it is finally judicially determined that the losses, claims, damages, liabilities or expenses resulted primarily from the gross negligence or willful misconduct of the person seeking indemnification hereunder, MBL Y agrees on behalf of the indemnified person to reimburse the Company for any amounts paid prior to such judicial determination. For purposes of these indemnification provisions, the term the "Company" has the meaning set forth in the engagement letter, dated as of May 21, 2004, between MBL Y and Pegasus Satellite Communications, Inc., of which these indemnification provisions are an integral part.

After receipt by an indemnified person of notice of any complaint or the commencement of any action or proceeding with respect to which indemnification is being sought hereunder, such person will notify the Company in writing of such complaint or of the commencement of such action or proceeding, but failure so to notify the Company will relieve the Company from any liability which the Company may have hereunder only if, and to the extent that such failure results in the forfeiture by the Company of substantial rights and defenses, and will not in any event relieve the Company from any other obligation or liability that the Company may have to any indemnified person otherwise than under these indemnification provisions. If the Company so elects or is requested by such indemnified person, the Company will assume the defense of such action or proceeding, including the employment of counsel reasonably satisfactory to MBL Y and the payment of the fees and disbursements of such counsel. In the event, however, such indemnified person reasonably determines in its judgment that having common counsel would present such counsel with a conflict of interest or if the defendants in, or targets of, any such action or proceeding include both an indemnified person and the Company, and such indemnified person reasonably concludes that there may be legal defenses available to it or other indemnified persons that are different from or in addition to those available to the Company, or if the Company fails to assume the defense of the action or proceeding or to employ counsel reasonably satisfactory to such indemnified person, in either case in a timely manner, then such indemnified person may employ separate counsel to represent or defend it in any such action or proceeding and the Company will pay the fees and disbursements of such counsel; provided, however, that the Company will not be required to pay the fees and disbursements of more than one separate counsel (in addition to local counsel) for all indemnified persons in any jurisdiction in any single action or proceeding. In any action or proceeding the defense of which the Company assumes, the indemnified person will have the right to participate in such litigation and to retain its own counsel at such indemnified person's own expense. The Company further agrees that it will not, without the prior written consent of MBL Y, settle or compromise or consent to the entry of any judgment in any pending or threatened claim, action, suit or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not MBL Y or any other indemnified person is an actual or potential party to such claim, action, suit or proceeding) unless such settlement, compromise or consent includes an unconditional release of MBL Y and each other indemnified person hereunder from all liability arising out of such claim, action, suit or proceeding.

The Company agrees that if any indemnification sought by an indemnified person pursuant to these indemnification provisions is held by a court to be unavailable for any reason other than as specified in the second sentence of the first paragraph of these indemnification provisions, then (whether or not MBL Y is the indemnified person), the Company and MBL Y will contribute to the losses, claims, damages, liabilities and expenses for which such indemnification is held unavailable (i) in such proportion as is appropriate to reflect the relative benefits to the Company, on the one hand, and MBL Y, on the other hand, in connection with MBL Y's engagement referred to above, or (ii) if the allocation provided

by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i), but also the relative fault of the Company, on the one hand, and MBLY, on the other hand, as well as any other relevant equitable considerations; provided however, that in any event the aggregate contribution of all indemnified persons, including MBLY, to all losses, claims, damages, liabilities and expenses with respect to which contribution is available hereunder will not exceed the amount of fees actually received by MBLY from the Company pursuant to MBLY's engagement referred to above. It is hereby agreed that for purposes of this paragraph, the relative benefits to the Company, on the one hand, and MBLY, on the other hand, with respect to MBLY's engagement shall be deemed to be in the same proportion as (i) the total value paid or proposed to be paid or received by the Company or the Company's stockholders, claims holders or contract parties, as the case may be, pursuant to the transaction, whether or not consummated, for which MBLY is engaged to render financial advisory services, bears to (ii) the fee paid or proposed to be paid to MBLY in connection with such engagement. It is agreed that it would not be just and equitable if contribution pursuant to this paragraph were determined by pro rata allocation or by any other method which does not take into account the considerations referred to in this paragraph.

The Company further agrees that it will promptly reimburse MBLY and any other indemnified person hereunder for all expenses (including fees and disbursements of counsel) as they are incurred by MBLY or such other indemnified person in connection with investigating, preparing for or defending, or providing evidence in, any pending or threatened action, claim, suit or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not MBLY or any other indemnified person is a party) and in enforcing these indemnification provisions. If

The Company's indemnity, contribution, reimbursement and other obligations under these indemnification provisions shall be in addition to any liability that the Company may otherwise have, at common law or otherwise, and shall be binding on the Company's successors and assigns.

Solely for purposes of enforcing these indemnification provisions, the Company hereby consents to personal jurisdiction, service and venue in any court in which any claim or proceeding which is subject to, or which may give rise to a claim for indemnification or contribution under, these indemnification provisions is brought against MBLY or any other indemnified person; provided, however, if the Company becomes a debtor under chapter 11 of the Bankruptcy Code, the Bankruptcy Court shall have exclusive jurisdiction over any such claim.

These indemnifications provisions shall apply to the above-mentioned engagement, activities relating to the engagement occurring prior to the date hereof, and any subsequent modification of or amendment to such engagement, and shall remain in full force and effect following the completion or termination of MBLY's engagement.

Exhibit B

Copy of Miller Buckfire Retention Orders

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 AUTHORIZING THE DEBTORS
AND DEBTORS IN POSSESSION TO EMPLOY AND
RETAIN MILLER BUCKFIRE LEWIS YING & CO., LLC
AS FINANCIAL ADVISOR AND INVESTMENT
BANKER PURSUANT TO 11 U.S.C. §§ 327(a) AND 328(a)
AND SCHEDULING A FURTHER HEARING TO CONSIDER THE
APPROVAL OF CERTAIN TRANSACTIONAL FEES AND CONSIDER
APPROVAL OF CERTAIN INDEMNIFICATION PROVISIONS ON A FINAL BASIS**

Upon the Application (the “Application”) of Pegasus Satellite Television, Inc and certain of its subsidiaries and affiliates, each a debtor and debtor in possession herein (collectively, the “Debtors”),¹ for entry of an order pursuant to sections 11 U.S.C. §§ 327(a) and 328(a) authorizing the Debtors to employ and retain Miller Buckfire Lewis Ying & Co., LLC (“MBLY”) as financial advisor and investment banker in these chapter 11 cases pursuant to the terms of the Engagement Letter between the Debtors and MBLY, annexed as Exhibit B to the Application; and upon the Affidavit of Ted S. Lodge, President, Chief Operating Officer and Counsel of Pegasus Satellite Communications, Inc., in support of First Day Motions; and upon the Affidavit of Marc D. Puntus, Managing Director of MBLY, in support of the Application;

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.

and Notice of this Application has been given to (i) the United States Trustee for the District of Maine; (ii) the Debtors' fifty (50) largest unsecured creditors on a consolidated basis, as identified in their chapter 11 petitions; (iii) the administrative agents for the credit facilities of Pegasus Media & Communications, Inc. and Pegasus Satellite Communications, Inc. ("PSC"); (iv) each of the indenture trustees for each series of notes of PSC and (v) those parties in interest who have filed a Notice of Appearance. The Debtors submit that in light of the nature of the relief requested, no further notice is required; and after due deliberation and sufficient cause appearing therefore, it is hereby

ORDERED, that pursuant to sections 327(a) and 328(a) of the Bankruptcy Code, MBL Y is hereby employed as the Debtors' financial advisor and investment banker, as of the Petition Date,² on the terms and conditions set forth in the Engagement Letter as modified by this Order; and it is further

ORDERED, that the terms and conditions of MBL Y's retention, including the monthly advisory fees of \$175,000 and the reimbursement on a monthly basis for travel costs and other reasonable out-of-pocket expenses (including all fees, disbursements, and other charges of counsel to be retained by MBL Y in connection with retention, fee or indemnity issues) incurred in connection with, or arising out of MBL Y's activities under or contemplated by, MBL Y's engagement (collectively, the "Monthly Advisory Fee") are approved pursuant to section 328(a) of the Bankruptcy Code (and will not be subject to the standard of review set forth in section 330 of the Bankruptcy Code); and it is further

² Capitalized terms used herein but not otherwise defined herein shall have the meanings ascribed to them in the Application.

ORDERED, that MBLY shall be entitled to the Monthly Advisory Fee in the amounts and at the times set forth in the Engagement Letter; and it is further

ORDERED, that MBLY is authorized to provide services to the Debtors as set forth in the Application; and it is further

ORDERED, that subject to the terms of this Order, MBLY will be compensated and will file interim and final fee applications in accordance with the procedures set forth in sections 330 and 331 of the Bankruptcy Code and Bankruptcy Rule 2016 and such procedures as may be fixed by order of this Court; and it is further

ORDERED, that notwithstanding anything to the contrary in the Bankruptcy Code, the Bankruptcy Rules, the Local Rules of this Court, any orders of this Court or any guidelines regarding submission and approval of fee applications, MBLY and its professionals (i) shall only be required to maintain time records for services rendered postpetition, in half-hour increments, and (ii) shall not be required to provide or conform to any schedule of hourly rates; and it is further

ORDERED, that the Indemnification Provisions of the Engagement Letter are approved on an interim basis pending a Final Hearing (as defined below) subject to the following modifications:

- (a) Subject to the provisions of subparagraphs (c) and (d) below, the Debtors are authorized to indemnify, and shall indemnify, MBLY, in accordance with the Engagement Letter, for any claim arising from, related to or in connection with MBLY's performance of the services described in the Engagement Letter;
- (b) MBLY shall not be entitled to indemnification, contribution or reimbursement pursuant to the Engagement Letter for services other than the financial advisory and investment banking services provided under the Engagement Letter, unless such services and the indemnification, contribution or reimbursement therefore are approved by the Court;

- (c) Notwithstanding anything to the contrary in the Engagement Letter, the Debtors shall have no obligation to indemnify any person, or provide contribution or reimbursement to any person, for any claim or expense that is either (i) judicially determined (the determination having become final) to have arisen from that person's gross negligence or willful misconduct, or (ii) settled prior to a judicial determination as to that person's gross negligence or willful misconduct, but determined by this Court, after notice and a hearing, to be a claim or expense for which that person should not receive indemnity, contribution or reimbursement under the terms of the Engagement Letter as modified by this Order;
- (d) If, before the earlier of (i) the entry of an order confirming a chapter 11 plan in this case (that order having become a final order no longer subject to appeal) and (ii) the entry of an order closing this chapter 11 case, MBLY believes that it is entitled to the payment of any amounts by the Debtor on account of the Debtor's indemnification, contribution and/or reimbursement obligations under the Engagement Letter (as modified by this Order), including without limitation the advancement of defense costs, MBLY must file an application before this Court, and the Debtor may not pay any such amounts to MBLY before the entry of an order by this Court approving the payment. This subparagraph (d) is intended only to specify the period of time under which the court shall have jurisdiction over any requests for fees and expenses by MBLY for indemnification, contribution or reimbursement, and not a provision limiting the duration of the Debtor's obligation to indemnify MBLY.

ORDERED, that notwithstanding any provision in the Engagement Letter to the contrary, to the extent this Court has jurisdiction over any matters arising out of or related to the Engagement Letter, such matter shall be heard in this Court; and it is further

ORDERED, that this Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this Order; and it is further

ORDERED, that this Court shall consider the remaining part of the Application that seeks to approve the Restructuring Transaction Fee, the Sale Transaction Fee, a financing fee and the Indemnification Provisions on a final basis at a hearing to be held before this Court on July 22, 2004 at 10:30 a.m. (the "Final Hearing").

Dated: July 1, 2004

/s/ James B. Haines, Jr.

UNITED STATES BANKRUPTCY JUDGE

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE

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

**AMENDED ORDER AUTHORIZING THE DEBTORS
AND DEBTORS IN POSSESSION TO EMPLOY AND
RETAIN MILLER BUCKFIRE LEWIS YING & CO., LLC
AS FINANCIAL ADVISOR AND INVESTMENT
BANKER PURSUANT TO 11 U.S.C. §§ 327(a) AND 328(a)**

Upon the Application (the “Application”) of Pegasus Satellite Television, Inc. and certain of its subsidiaries and affiliates, each a debtor and debtor in possession herein (collectively, the “Debtors”),¹ for entry of an order pursuant to sections 11 U.S.C. §§ 327(a) and 328(a) authorizing the Debtors to employ and retain Miller Buckfire Lewis Ying & Co., LLC (“MBLY”) as financial advisor and investment banker in these chapter 11 cases pursuant to the terms of the Engagement Letter between the Debtors and MBLY, annexed as Exhibit B to the Application; and upon the Affidavit of Ted S. Lodge, President, Chief Operating Officer and Counsel of Pegasus Satellite Communications, Inc., in support of First Day Motions; and upon the Affidavit of Marc D. Puntus, Managing Director of MBLY, in support of the Application; Notice of this Application has been given to (i) the United States Trustee for the District 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.

Maine; (ii) the Debtors' fifty (50) largest unsecured creditors on a consolidated basis, as identified in their chapter 11 petitions; (iii) the administrative agents for the credit facilities of Pegasus Media & Communications, Inc. and Pegasus Satellite Communications, Inc. ("PSC"); (iv) each of the indenture trustees for each series of notes of PSC and (v) those parties in interest who have filed a Notice of Appearance; this Court having entered an Order approving the Application in part and scheduling a hearing concerning the transaction fees and indemnification provisions of the Engagement Letter; and the Debtors, MBLY and certain parties in interest having agreed to amend certain portions of the Engagement Letter as provided in the Amended Order. The Debtors submit that in light of the nature of the relief requested, no further notice is required; and after due deliberation and sufficient cause appearing therefore, it is hereby

ORDERED that this Amended Order supersedes and replaces the Order entered by this Court on July 1, 2004 approving the retention of MBLY; and it is further

ORDERED, that pursuant to sections 327(a) and 328(a) of the Bankruptcy Code, MBLY is hereby employed as the Debtors' financial advisor and investment banker, as of the Petition Date,² on the terms and conditions set forth in the Engagement Letter as modified by this Amended Order; and it is further

ORDERED that the Engagement Letter is modified as follows:

- (a) Subparagraph 2(a) of the Engagement Letter is amended to provide that 100% of the Monthly Advisory Fees actually paid to MBLY during the engagement will be credited against any Restructuring Transaction Fee (as defined in the Engagement Letter) or Sale

² Capitalized terms used herein but not otherwise defined herein shall have the meanings ascribed to them in the Application.

Transaction Fee (as defined in the Engagement Letter) payable to MBLY;

- (b) Subparagraph 2(b) of the Engagement Letter is amended to reduce the Restructuring Transaction Fee (as defined in the Engagement Letter) from \$11,250,000 to \$7,500,000;
- (c) Subparagraph 2(c) of the Engagement Letter is amended to provide that the Sale Transaction Fee (as defined in the Engagement Letter) shall equal \$7,500,000;
- (d) Notwithstanding any of the other provision of the Engagement Letter, MBLY shall only be entitled to receive one of the Sale Transaction Fee and the Restructuring Fee, provided that MBLY shall also be entitled to the Broadcast Sale Fee as defined in (e) below.
- (e) Notwithstanding any other provision of the Engagement Letter, MBLY is engaged to sell the Debtors' broadcast television assets and, if at any time during the Fee Period, (x) any sale of the broadcast television assets is consummated or (y)(1) an agreement in principle or definitive agreement to effect a sale of the broadcast television assets is entered into and (2) consummated, then MBLY shall be entitled to a transaction fee, contingent upon and payable at the closing thereof, equal to 1.0% of the Aggregate Consideration (as defined in the Engagement Letter) up to \$75 million plus 2% of the Aggregate Consideration in excess of \$75 million (the "Broadcast Sale Fee"); and it is further

ORDERED, that the terms and conditions of MBLY's retention as modified by this Amended Order, including the Fee Structure and the Indemnification Provisions, are approved pursuant to section 328(a) of the Bankruptcy Code (and will not be subject to the standard of review set forth in section 330 of the Bankruptcy Code); and it is further

ORDERED, that MBLY shall be entitled to compensation in the amounts and at the times set forth in the Engagement Letter; and it is further

ORDERED, that MBLY is authorized to provide services to the Debtors as set forth in the Application; and it is further

ORDERED, that subject to the terms of this Amended Order, MBLY will be compensated and will file interim and final fee applications in accordance with the procedures set forth in sections 330 and 331 of the Bankruptcy Code and Bankruptcy Rule 2016 and such procedures as may be fixed by order of this Court; and it is further

ORDERED, that notwithstanding anything to the contrary in the Bankruptcy Code, the Bankruptcy Rules, the Local Rules of this Court, any orders of this Court or any guidelines regarding submission and approval of fee applications, MBLY and its professionals (i) shall only be required to maintain time records for services rendered postpetition, in half-hour increments, and (ii) shall not be required to provide or conform to any schedule of hourly rates; and it is further

ORDERED, that the Indemnification Provisions of the Engagement Letter are approved subject to the following modifications:

- (a) Subject to the provisions of subparagraphs (c) and (d) below, the Debtors are authorized to indemnify, and shall indemnify, MBLY, in accordance with the Engagement Letter, for any claim arising from, related to or in connection with MBLY's performance of the services described in the Engagement Letter;

- (b) MBLY shall not be entitled to indemnification, contribution or reimbursement pursuant to the Engagement Letter for services other than the financial advisory and investment banking services provided under the Engagement Letter, unless such services and the indemnification, contribution or reimbursement therefore are approved by the Court;
- (c) Notwithstanding anything to the contrary in the Engagement Letter, the Debtors shall have no obligation to indemnify any person, or provide contribution or reimbursement to any person, for any claim or expense that is either (i) judicially determined (the determination having become final) to have arisen from that person's gross negligence or willful misconduct, or (ii) settled prior to a judicial determination as to that person's gross negligence or willful misconduct, but determined by this Court, after notice and a hearing, to be a claim or expense for which that person should not receive indemnity, contribution or reimbursement under the terms of the Engagement Letter as modified by this Amended Order;
- (d) If, before the earlier of (i) the entry of an order confirming a chapter 11 plan in this case (that order having become a final order no longer subject to appeal) and (ii) the entry of an order closing this chapter 11 case, MBLY believes that it is entitled to the payment of any amounts by the Debtor on account of the Debtor's indemnification, contribution and/or reimbursement obligations under the Engagement Letter (as modified by this Amended Order), including without limitation the advancement of defense costs, MBLY must file an application before this Court, and the Debtor may not pay any such amounts to MBLY before the entry of an order by this Court approving the payment. This subparagraph (d) is intended only to specify the period of time under which the court shall have jurisdiction over any requests for fees and expenses by MBLY for indemnification, contribution or reimbursement, and not a provision limiting the duration of the Debtor's obligation to indemnify MBLY.

ORDERED, that notwithstanding any provision in the Engagement Letter to the contrary, to the extent this Court has jurisdiction over any matters arising out of or related to the Engagement Letter, such matter shall be heard in this Court; and it is further

ORDERED, that this Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this Amended Order; and it is further

Dated: August 2, 2004

/s/ James B. Haines, Jr.

UNITED STATES BANKRUPTCY JUDGE

Exhibit C

Miller Buckfire Reasonable and Necessary Expenses

For the Application Period from June 2, 2004, through May 5, 2005

Expense Category	Total Expenses
Travel	\$11,026.43
Lodging	2,468.53
Client and Overtime Meals	5,653.74
Presentation Support/Printing/Reproduction	6,363.95
Messenger/Courier	1,146.74
Computerized Research	12,382.32
Taxi/Car Service	6,767.63
Telecommunications	2,532.20
Other	87.50
Total Expenses	\$48,429.04

Exhibit D

Time Records by Professional

For the Application Period from June 2, 2004, through May 5, 2005

Name of Professional Person	Business Title of Professional Person	Total Hours Worked
Marc D. Puntus	Managing Director	422.0
David Y. Ying	Managing Director	38.0
Lloyd A. Sprung	Principal	236.5
Stuart E. Erickson	Principal	134.5
Roopesh K. Shah	Principal	24.0
James M. Lucania	Associate	573.5
Shantanu Agrawal	Analyst	284.0
Andrew T. Holt	Analyst	171.5
Kevin Haggard	Summer Associate	302.5
Molly Hartman	Summer Analyst	54.5
Total		2,241.0

Time Records by Services Rendered

For the Application Period from June 2, 2004, through May 5, 2005

<i>Project Category</i>	Total Hours Worked
(1) Due Diligence	39.5
(2) Case Administration / General Administration	417.5
(3) Business Plan and Restructuring Strategy	352.5
(4) Global Settlement and DBS Sale Process	439.5
(5) Broadcast Sale Process	738.0
(6) Travel to, from, and on behalf of the Debtors	58.0
(7) Creditor Contacts	196.0
Total	2,241.0

Pegasus Satellite Communications

Detail of Time Records By Project Code

June 2, 2004 through May 5, 2005

Project Code

1. Due Diligence (TOTAL HOURS = 39.5)

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
06/03/2004	Haggard, Kevin	2.5	Review Co. P&L model
06/07/2004	Agrawal, Shantanu	5.0	General financial analysis
07/23/2004	Agrawal, Shantanu	4.0	Assembling of preliminary due diligence materials
07/23/2004	Erickson, Stuart	2.0	Review of due diligence
07/23/2004	Hartman, Molly	4.0	Assembling of preliminary due diligence materials
07/23/2004	Puntus, Marc	2.0	Review of due diligence
07/29/2004	Agrawal, Shantanu	3.0	PBT Due Diligence
07/29/2004	Erickson, Stuart	1.0	Review of PBT diligence
07/29/2004	Lucania, James	3.0	PBT Due Diligence
08/03/2004	Agrawal, Shantanu	2.0	Review of PBT KB Prime diligence, including calls to counsel
08/03/2004	Lucania, James	2.0	Review of PBT KB Prime diligence, including calls to counsel
08/12/2004	Agrawal, Shantanu	3.0	Review of PBT due diligence materials
08/12/2004	Erickson, Stuart	3.0	Review of PBT due diligence materials
08/12/2004	Lucania, James	3.0	Review of PBT due diligence materials
	Total	39.5	

2. Case Administration / General Administration (TOTAL HOURS = 417.5)

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
06/03/2004	Haggard, Kevin	1.0	Review/discuss terms of cash collateral agreement
06/03/2004	Lucania, James	2.0	Review various motions and orders
06/03/2004	Puntus, Marc	4.0	Review first day papers, including retention papers; various conversations with Sidley and Company re: same
06/03/2004	Sprung, Lloyd	2.0	Review of bankruptcy court filings
06/04/2004	Agrawal, Shantanu	1.5	Coordinate due diligence requests from Banks
06/04/2004	Haggard, Kevin	1.5	Coordinate due diligence requests from Banks
06/04/2004	Puntus, Marc	5.0	Attend first day hearings in portland; follow up meetings with company
06/05/2004	Agrawal, Shantanu	2.5	Conference call with company to discuss general case issues
06/05/2004	Haggard, Kevin	2.5	Conference call with company to discuss general case issues
06/05/2004	Lucania, James	2.5	Conference call with company to discuss general case issues
06/05/2004	Puntus, Marc	2.5	Conference call with company to discuss general case issues
06/05/2004	Shah, Roopesh	2.5	Conference call with company to discuss general case issues
06/05/2004	Sprung, Lloyd	2.5	Conference call with company to discuss general case issues
06/05/2004	Ying, David	2.5	Conference call with company to discuss general case issues
06/06/2004	Agrawal, Shantanu	2.5	Internal and company conference call to discuss general case issues
06/06/2004	Haggard, Kevin	2.5	Internal and company conference call to discuss general case issues
06/06/2004	Lucania, James	2.5	Internal and company conference call to discuss general case issues
06/06/2004	Shah, Roopesh	2.5	Internal and company conference call to discuss general case issues
06/06/2004	Sprung, Lloyd	2.5	Internal and company conference call to discuss general case issues
06/07/2004	Puntus, Marc	8.0	Attend hearing in Portland, ME; meetings with the Company during and after hearing

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
06/07/2004	Sprung, Lloyd	2.0	Review of bankruptcy court filings. Calls with bond holders.
06/08/2004	Agrawal, Shantanu	1.0	Data room setup
06/08/2004	Agrawal, Shantanu	1.0	discussion re: intralinks - administration, files to assemble
06/08/2004	Agrawal, Shantanu	3.0	Aggregation of due diligence materials
06/08/2004	Haggard, Kevin	1.0	discussion re: intralinks - administration, files to assemble
06/08/2004	Haggard, Kevin	1.0	Preparation for bank's due diligence
06/08/2004	Hartman, Molly	1.0	Preparation for bank's due diligence
06/08/2004	Hartman, Molly	3.0	Aggregation of due diligence materials
06/08/2004	Hartman, Molly	1.0	discussion re: intralinks - administration, files to assemble
06/08/2004	Hartman, Molly	1.0	Data room setup
06/08/2004	Lucania, James	1.0	discussion re: intralinks - administration, files to assemble
06/08/2004	Lucania, James	1.0	Preparation for bank's due diligence
06/08/2004	Shah, Roopesh	1.0	Preparation for bank's due diligence
06/08/2004	Sprung, Lloyd	1.0	Call with Company on bank's due diligence
06/08/2004	Sprung, Lloyd	1.0	Preparation for bank's due diligence
06/09/2004	Agrawal, Shantanu	3.0	Aggregation of due diligence materials
06/09/2004	Agrawal, Shantanu	2.0	Set up of data room
06/09/2004	Agrawal, Shantanu	1.5	Review and distribution of case documentation
06/09/2004	Haggard, Kevin	1.5	Review and distribution of case documentation
06/09/2004	Hartman, Molly	2.0	Set up of data room
06/09/2004	Hartman, Molly	3.0	Aggregation of due diligence materials
06/09/2004	Hartman, Molly	4.0	preparation for bank's due diligence
06/09/2004	Lucania, James	2.0	Prepared response to Banks' diligence request
06/09/2004	Lucania, James	2.0	Review of motions and orders, other general administrative items
06/09/2004	Sprung, Lloyd	1.0	Review of bankruptcy court filing proposals
06/09/2004	Sprung, Lloyd	0.5	Calls with Company management
06/10/2004	Agrawal, Shantanu	1.0	conference call/hearing
06/10/2004	Haggard, Kevin	1.0	Prepare list of diligence items requested from Co., current status
06/10/2004	Haggard, Kevin	0.5	Review court filings re: DTV stay
06/10/2004	Haggard, Kevin	1.0	conference call/hearing
06/10/2004	Hartman, Molly	1.0	preparation for data room
06/10/2004	Hartman, Molly	1.0	conference call/hearing
06/10/2004	Lucania, James	1.0	conference call/hearing
06/10/2004	Puntus, Marc	1.0	conference call/hearing
06/10/2004	Puntus, Marc	1.0	Follow up calls w/counsel and company sr execs re: judge's ruling and implications and related
06/10/2004	Shah, Roopesh	1.0	conference call/hearing
06/10/2004	Sprung, Lloyd	1.0	conference call/hearing
06/10/2004	Ying, David	1.0	conference call/hearing
06/10/2004	Ying, David	1.0	Follow up calls w/counsel and company sr execs re: judge's ruling and implications and related
06/11/2004	Haggard, Kevin	4.0	Conf Call with PGTV team- next steps
06/11/2004	Hartman, Molly	4.0	Conf Call with PGTV team- next steps
06/11/2004	Lucania, James	4.0	Conf Call with PGTV team- next steps
06/11/2004	Puntus, Marc	4.0	Conf Call with PGTV team- next steps
06/11/2004	Sprung, Lloyd	1.0	Review of bankruptcy court filings and valuation models of settlement scenerio
06/11/2004	Ying, David	4.0	Conf Call with PGTV team- next steps

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
06/15/2004	Agrawal, Shantanu	1.0	Docket review and document distribution
06/15/2004	Puntus, Marc	2.0	Call w/Verlin re: case status; calls w/bondholders re: general
06/15/2004	Puntus, Marc	1.0	Read complaint
06/15/2004	Sprung, Lloyd	1.0	Calls with Company and counsel on bank diligence requirements
06/16/2004	Agrawal, Shantanu	2.0	Updating data room
06/16/2004	Agrawal, Shantanu	1.0	TC with Company re: cash collateral covenants, reporting requirements
06/16/2004	Haggard, Kevin	1.0	Communications with PGTV, team re: reporting requirements
06/16/2004	Haggard, Kevin	1.0	Read complaint, contempt motion
06/16/2004	Haggard, Kevin	1.0	TC with Company re: cash collateral covenants, reporting requirements
06/16/2004	Haggard, Kevin	1.5	Prepare for TC with PGTV re: cash collateral covenants, reporting
06/16/2004	Hartman, Molly	1.0	TC with Company re: cash collateral covenants, reporting requirements
06/16/2004	Lucania, James	1.0	Communications with PGTV, team re: reporting requirements
06/16/2004	Lucania, James	1.0	TC with Company re: cash collateral covenants, reporting requirements
06/16/2004	Shah, Roopesh	1.0	TC with Company re: cash collateral covenants, reporting requirements
06/16/2004	Sprung, Lloyd	1.0	Calls and emails with Company and counsel re: banks diligence request
06/17/2004	Haggard, Kevin	1.0	Intralinks review; updates
06/21/2004	Agrawal, Shantanu	1.0	Update to data room
06/21/2004	Haggard, Kevin	1.0	Update format of scenario analyses
06/21/2004	Haggard, Kevin	1.0	TC with Co re: cash collateral order; schedules to be prepared; creditors due diligence requests
06/21/2004	Haggard, Kevin	1.0	Review pub docs re: Co. reorganization; TC with Co. re: same
06/21/2004	Haggard, Kevin	1.5	Communications with Sidley re: faxes, schedules sent.
06/21/2004	Haggard, Kevin	1.0	Prepare proposed changes to cash collateral order; submit to creditors/Co. for approval
06/21/2004	Puntus, Marc	7.0	Attend Committee professional meetings in Chicago, including listen to judge's ruling
06/22/2004	Haggard, Kevin	3.0	Various TCs and correspondance with secured creditors and attorneys re: cash collateral order
06/22/2004	Haggard, Kevin	1.5	Communcations with Co. and creditors re: cash collateral order
06/22/2004	Haggard, Kevin	1.0	Review information from Co t/b provided to Chanin
06/22/2004	Haggard, Kevin	0.5	Contacting Co., UCC re: organizing cash flow discussion
06/22/2004	Sprung, Lloyd	1.0	Review of filings for final cash collateral order. Calls with internal team and company counsel.
06/23/2004	Agrawal, Shantanu	1.0	conf. call w/ board re. recent developments
06/23/2004	Haggard, Kevin	1.0	conf. call w/ board re. recent developments
06/23/2004	Haggard, Kevin	2.5	Updateds to language of cash collateral covenants
06/23/2004	Hartman, Molly	1.0	conf. call w/ board re. recent developments
06/23/2004	Puntus, Marc	1.5	Various tcs re: MBLY retention issues; review revised MBLY retention order and discuss same with Neu
06/23/2004	Puntus, Marc	1.0	conf. call w/ board re. recent developments
06/23/2004	Sprung, Lloyd	1.0	conf. call w/ board re. recent developments
06/24/2004	Haggard, Kevin	1.0	Professional fees budget: contact Co. re: updates
06/24/2004	Haggard, Kevin	0.5	Review court docket; disseminate relevant filings.
06/24/2004	Haggard, Kevin	1.0	Read transcript from court hearing on 6/21
06/25/2004	Haggard, Kevin	0.5	Review court docket; disseminate relevant documents
06/25/2004	Haggard, Kevin	1.5	Read final cash collateral order - fin. covenants, reporting requirements.
06/25/2004	Haggard, Kevin	1.0	Review questions from secured creditors; forward to Co.
06/26/2004	Agrawal, Shantanu	1.0	Update to data room

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
06/27/2004	Agrawal, Shantanu	1.0	Update to data room
06/28/2004	Agrawal, Shantanu	1.5	Review KERP motion and summary; review PCMC agreement
06/28/2004	Haggard, Kevin	1.0	Prepare summary of UCC call for internal distribution
06/28/2004	Haggard, Kevin	1.0	Discussion with Co re: secured creditors requests, professional fees schedule
06/28/2004	Haggard, Kevin	1.5	Review KERP motion and summary; review PCMC agreement
06/28/2004	Lucania, James	1.5	Review KERP motion and summary; review PCMC agreement
06/28/2004	Shah, Roopesh	1.5	Review KERP motion and summary; review PCMC agreement
06/29/2004	Agrawal, Shantanu	1.0	internal meeting re: UCC presentation
06/29/2004	Haggard, Kevin	2.5	Prepare materials for UCC presentation: NRTC section; discuss internally
06/29/2004	Haggard, Kevin	1.0	internal meeting re: UCC presentation
06/29/2004	Haggard, Kevin	0.5	TC with J. Pooler re: requested items for UCC presentation
06/29/2004	Haggard, Kevin	1.0	Coordinate with Pooler re: request lists, presentation materials
06/29/2004	Lucania, James	1.0	internal meeting re: UCC presentation
06/29/2004	Puntus, Marc	1.0	internal meeting re: UCC presentation
06/29/2004	Shah, Roopesh	1.0	internal meeting re: UCC presentation
06/30/2004	Agrawal, Shantanu	4.0	UCC presentation - preparation
06/30/2004	Agrawal, Shantanu	5.5	UCC presentation; review drafts, discussions
06/30/2004	Haggard, Kevin	1.5	TCs with J. Pooler re: UCC presentation
06/30/2004	Haggard, Kevin	5.5	UCC presentation; review drafts, discussions
06/30/2004	Haggard, Kevin	4.0	UCC presentation - preparation
06/30/2004	Hartman, Molly	4.0	UCC presentation - preparation
06/30/2004	Hartman, Molly	5.5	UCC presentation; review drafts, discussions
06/30/2004	Lucania, James	4.0	UCC presentation - preparation
06/30/2004	Lucania, James	5.5	UCC presentation; review drafts, discussions
06/30/2004	Puntus, Marc	5.5	UCC presentation; review drafts, discussions
06/30/2004	Sprung, Lloyd	5.5	UCC presentation; review drafts, discussions
07/01/2004	Haggard, Kevin	1.0	Review PCMC info request from UCC. TC with J. Pooler.
07/02/2004	Sprung, Lloyd	1.0	Calls with Company and counsel re: UCC diligence
07/05/2004	Haggard, Kevin	0.5	Review PCMC files from J. Pooler
07/05/2004	Haggard, Kevin	0.5	Coordinate conference call for PCMC with J. Pooler, Greenhill, CTA
07/05/2004	Lucania, James	2.0	review documents for distribution to UCC
07/05/2004	Sprung, Lloyd	1.0	Review of PCML Corp. allocation spreadsheets
07/13/2004	Haggard, Kevin	2.0	Prepare agenda for creditors diligence meetings; TC with J. Pooler re: same; updates.
07/13/2004	Haggard, Kevin	1.5	Review ucc f.a. retention applications; prepare schedule summarizing proposed fees.
07/14/2004	Agrawal, Shantanu	0.5	Data room maintenance
07/15/2004	Haggard, Kevin	0.5	Review weekly sub. rollforward; provide to Chanin
07/15/2004	Haggard, Kevin	1.0	Review all files used in diligence meetings; determine relevant files to be posted to Intralinks.
07/15/2004	Lucania, James	1.0	Updates to data room
07/15/2004	Lucania, James	2.0	Discussions with Company and Company counsel re: KERP
07/15/2004	Lucania, James	4.0	Prepare and review KERP overview package for creditors
07/15/2004	Sprung, Lloyd	2.0	Discussions with Company and Company counsel re: KERP
07/16/2004	Haggard, Kevin	0.5	Contact with S. Blank re: KERP motion; Chanin status.
07/16/2004	Haggard, Kevin	0.5	Review court docket; review and distribute hearing agenda for 7/22 to MBLY team
07/16/2004	Haggard, Kevin	1.0	Review professional fees schedule prepared by Co; provide correction to J. Pooler.

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
07/16/2004	Lucania, James	3.0	Prepare draft of monthly fee statement for June 2004
07/16/2004	Lucania, James	2.0	Review intercompany transaction analysis and South Plains DBS information
07/19/2004	Haggard, Kevin	1.0	Gather professional fee estimates for June from f.a.'s
07/19/2004	Haggard, Kevin	1.0	Update Calculation to f.a. fees; discussion with S. Blank re: same.
07/20/2004	Agrawal, Shantanu	0.5	Data room maintenance
07/20/2004	Haggard, Kevin	0.5	Gather professional fee estimates for June from f.a.'s
07/20/2004	Lucania, James	2.0	Prepare invoices and revise June fee statement
07/21/2004	Agrawal, Shantanu	2.0	Create and review of interest expense calculation; provide to, discuss with J. Pooler.
07/21/2004	Haggard, Kevin	2.0	Create and review of interest expense calculation; provide to, discuss with J. Pooler.
07/21/2004	Lucania, James	2.0	Revise monthly fee statement filing.
07/21/2004	Sprung, Lloyd	1.0	Calls with company on deal process, due diligence information.
07/22/2004	Haggard, Kevin	0.5	Review tax analysis prepared by accountants
07/22/2004	Lucania, James	1.5	Review and revise monthly fee statement
07/22/2004	Lucania, James	0.5	Review NOL analysis and send to UCC
07/23/2004	Agrawal, Shantanu	1.0	Data room maintenance
07/23/2004	Puntus, Marc	1.0	Review and revise monthly fee statement; meet w/Lucania re: same
07/24/2004	Lucania, James	0.5	Organize internal KERP conference call
07/25/2004	Lucania, James	1.5	Internal call re: KERP
07/29/2004	Haggard, Kevin	2.0	Changes to KERP per UCC negotiations; discussions with S. Blank, J. Pooler re: same
07/29/2004	Haggard, Kevin	1.0	LC discussion with J. Pooler; confirm amounts, bank
07/29/2004	Lucania, James	1.5	TC with Company and UCC advisors re: KERP
07/29/2004	Lucania, James	5.0	TC with Company and updated schedules to APA, Coop Agreement, Lock-up Agreement, etc.
07/31/2004	Puntus, Marc	1.0	Review draft press releases and final docs; call re: same
08/01/2004	Sprung, Lloyd	0.5	Review of draft press release.
08/02/2004	Haggard, Kevin	2.0	Review of motion to be filed with bankruptcy court. Calls with Company.
08/02/2004	Puntus, Marc	2.0	Review of motion to be filed with bankruptcy court. Calls with Company.
08/02/2004	Sprung, Lloyd	2.0	Review of motion to be filed with bankruptcy court. Calls with Company.
08/03/2004	Sprung, Lloyd	0.5	Calls with Company on KERP.
08/04/2004	Haggard, Kevin	1.5	Call with Company and counsel re: Sub Notes
08/04/2004	Lucania, James	1.5	Call with Company and counsel re: Sub Notes
08/04/2004	Puntus, Marc	1.5	Call with Company and counsel re: Sub Notes
08/04/2004	Sprung, Lloyd	1.5	Call with Company and counsel re: Sub Notes
08/05/2004	Agrawal, Shantanu	3.0	Transition of materials to Shantanu from Haggard
08/05/2004	Haggard, Kevin	3.0	Transition of materials to Shantanu from Haggard
08/06/2004	Agrawal, Shantanu	0.5	Docket Review
08/06/2004	Haggard, Kevin	1.0	Review tax estimates; discuss with J. Pooler
08/06/2004	Haggard, Kevin	2.0	Transition files, documents. Internal discussions re: same
08/06/2004	Puntus, Marc	0.5	Docket Review
08/06/2004	Sprung, Lloyd	1.0	Review of objection offered by DE Shaw.
08/06/2004	Sprung, Lloyd	1.0	Review of requested discovery materials by DE Shaw.
08/09/2004	Agrawal, Shantanu	1.0	Discuss DE Shaw Discovery request and prepare IT to coordinate collection of emails
08/09/2004	Lucania, James	1.0	Discuss DE Shaw Discovery request and prepare IT to coordinate collection of emails

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
08/10/2004	Sprung, Lloyd	1.0	Preparation and review of discovery materials by DE Shaw.
08/11/2004	Agrawal, Shantanu	11.0	Aggregation of requested materials for D.E. Shaw data request
08/11/2004	Lucania, James	0.5	Call with Pooler to discuss conversion process
08/11/2004	Sprung, Lloyd	1.0	Preparation and review of discovery materials by DE Shaw.
08/11/2004	Sprung, Lloyd	0.5	Call with Pooler to discuss conversion process
08/12/2004	Lucania, James	12.0	Review files and emails to satisfy DE Shaw discovery request
08/12/2004	Sprung, Lloyd	1.0	Preparation and review of discovery materials by DE Shaw.
08/13/2004	Sprung, Lloyd	1.0	Preparation and review of discovery materials by DE Shaw.
08/16/2004	Sprung, Lloyd	1.0	Review of critical analysis prepared by MBL Y for deposition and sale hearing preparation.
08/17/2004	Agrawal, Shantanu	1.0	Updates to data room
08/19/2004	Agrawal, Shantanu	0.5	Docket review
08/19/2004	Puntus, Marc	0.5	Docket review
08/20/2004	Sprung, Lloyd	2.0	Review of Memorandums of Law prepared by secured creditors and UCC. Review of objections filed to agreement.
08/20/2004	Sprung, Lloyd	3.0	Attend deposition of Marc Puntus at Sidney Austin.
08/23/2004	Agrawal, Shantanu	2.0	Sale documentation distribution
08/23/2004	Sprung, Lloyd	0.5	Preparation of hours for timesheets.
08/24/2004	Agrawal, Shantanu	1.0	Updates to data room
08/30/2004	Agrawal, Shantanu	0.5	Update to data room
08/30/2004	Sprung, Lloyd	0.5	Call with Company and counsel regarding bank payoff, cash management and asset liquidation.
09/08/2004	Lucania, James	0.5	TC with company re: cash balance
09/08/2004	Lucania, James	0.5	review bank pay-off motion
09/14/2004	Lucania, James	2.0	Update data room
10/15/2004	Lucania, James	0.5	Call with Verlin re: PCC financing term sheets
11/05/2004	Lucania, James	0.5	Research Pagon split dollar agreement
11/17/2004	Lucania, James	0.5	Case correspondence
12/01/2004	Lucania, James	0.5	TC with Joe Pooler re: Greenhill questions
12/02/2004	Lucania, James	0.5	TC with Joe Pooler re: creditor meeting
12/10/2004	Lucania, James	0.5	TC with Sidley
01/05/2005	Agrawal, Shantanu	0.5	Call with Pooler, Sidley, FTI to discuss disclosure statement
01/05/2005	Lucania, James	0.5	Call with Pooler, Sidley, FTI to discuss disclosure statement
01/05/2005	Lucania, James	2.0	review draft disclosure statement
01/05/2005	Puntus, Marc	3.0	Review latest draft POR and DS; meet with team to discuss issues
01/06/2005	Lucania, James	1.0	Disclosure statement comments
01/07/2005	Lucania, James	1.0	Calls with Company and Sidley to discuss plan and disclosure statement
01/14/2005	Lucania, James	0.5	Organize conf call for Greenhill re: tax calculations
01/19/2005	Lucania, James	0.5	Set up conf call to discuss tax estimates
01/27/2005	Lucania, James	1.0	Review and comment on revised plan and disclosure statement
01/28/2005	Lucania, James	2.0	review draft plan and disclosure statement
01/31/2005	Lucania, James	2.0	review final draft of plan and disclosure statement
02/04/2005	Lucania, James	0.5	TC with company re: MORs
02/07/2005	Lucania, James	1.0	Research
02/08/2005	Lucania, James	1.0	Research for disclosure statement hearing
03/02/2005	Lucania, James	0.5	TC with Company to get January MORs
04/04/2005	Lucania, James	2.5	Prepare initial draft of final fee application

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
04/13/2005	Lucania, James	2.0	Work on Final Fee Application
04/15/2005	Puntus, Marc	10.0	Attend confirmation hearing and travel home; meet with Scher and Lodge to discuss broadcast
04/20/2005	Lucania, James	2.0	work on fee application
	Total	417.5	

3. Business Plan / Valuation Analysis & Restructuring Strategy (TOTAL HOURS = 352.5)

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
06/03/2004	Agrawal, Shantanu	3.0	Review operating and cash flow models
06/03/2004	Haggard, Kevin	1.5	Review DTV/NRTC settlement terms
06/03/2004	Lucania, James	3.0	Review operating and cash flow models
06/04/2004	Lucania, James	5.0	Review, edit, update financial model
06/04/2004	Lucania, James	2.0	Communications with management re: business plan and banks' diligence requests
06/04/2004	Sprung, Lloyd	2.0	Communications with management re: business plan and banks' diligence requests
06/07/2004	Agrawal, Shantanu	1.5	Meeting to discuss draft of potential term sheet
06/07/2004	Haggard, Kevin	1.5	Meeting to discuss draft of potential term sheet
06/07/2004	Haggard, Kevin	4.5	Outline termsheet for potential sub sale and resulting recoveries
06/07/2004	Haggard, Kevin	1.5	Revisions to potential term sheet
06/07/2004	Lucania, James	1.5	Meeting to discuss draft of potential term sheet
06/07/2004	Shah, Roopesh	1.5	Meeting to discuss draft of potential term sheet
06/08/2004	Haggard, Kevin	1.0	Discuss potential revisions to term sheet
06/08/2004	Haggard, Kevin	4.5	Changes to term sheet and supporting analyses based on discussion
06/08/2004	Lucania, James	4.0	Review operating and cash flow models
06/08/2004	Lucania, James	1.0	Discuss potential revisions to term sheet
06/08/2004	Shah, Roopesh	1.0	Discuss potential revisions to term sheet
06/08/2004	Sprung, Lloyd	1.0	Discuss potential revisions to term sheet
06/08/2004	Sprung, Lloyd	1.0	Review of term sheet/analysis for prospective buyers
06/09/2004	Haggard, Kevin	2.0	Updates to term sheet and accompanying analyses based on internal discussion
06/09/2004	Haggard, Kevin	1.0	Meeting to discuss draft term sheet
06/09/2004	Haggard, Kevin	1.5	recalculate analyses based on new scenario
06/09/2004	Lucania, James	2.0	Review operating and cash flow models
06/09/2004	Lucania, James	1.0	Review draft term sheet outline
06/09/2004	Puntus, Marc	1.0	Review and revise draft term sheet outline and meet w/Shah and Sprung re: same
06/09/2004	Puntus, Marc	1.0	Meeting to discuss draft term sheet
06/09/2004	Shah, Roopesh	1.0	Meeting to discuss draft term sheet
06/11/2004	Haggard, Kevin	1.5	Calculate recovery analysis for two scenarios discussed
06/14/2004	Puntus, Marc	1.5	Various tcs w/Pagon and Lodge, and Ying, re: status, strategic meetings and tactics
06/14/2004	Sprung, Lloyd	1.0	Review of settlement scenerio model and internal calls on diligence update for banks
06/15/2004	Puntus, Marc	0.5	Meet w/Shah re: committee presentation and business plan assessment and tactics
06/15/2004	Puntus, Marc	1.0	Review revised business plan model and meet w/Ying re: same
06/15/2004	Shah, Roopesh	0.5	Meet w/Shah re: committee presentation and business plan assessment and tactics
06/15/2004	Ying, David	1.0	Review revised business plan model and meet w/Ying re: same
06/17/2004	Agrawal, Shantanu	5.5	Historical transaction analysis
06/17/2004	Sprung, Lloyd	1.0	Review of valuation models. Calls with Company and counsel on bank's diligence request.
06/18/2004	Haggard, Kevin	4.0	Run several scenario models

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
06/18/2004	Haggard, Kevin	1.0	Review updated 13-week CF from Co.; prepare for call with Chanin
06/18/2004	Lucania, James	1.0	Review updated 13-week CF from Co.; prepare for call with Chanin
06/20/2004	Agrawal, Shantanu	3.5	Industry valuation analysis
06/20/2004	Agrawal, Shantanu	4.0	Historical transaction analysis
06/20/2004	Haggard, Kevin	3.5	Update recovery scenarios; compare vs. information from Co.
06/21/2004	Agrawal, Shantanu	5.0	Industry valuation analysis
06/21/2004	Haggard, Kevin	1.0	Review industry valuation analyses
06/21/2004	Haggard, Kevin	1.0	Prepare recovery scenario; review for accuracy; internal discussions.
06/22/2004	Agrawal, Shantanu	5.0	Industry valuation analysis
06/22/2004	Haggard, Kevin	1.0	Review and comments on valuation analysis prepared by team
06/23/2004	Agrawal, Shantanu	2.0	Discussion re industry valuation analysis
06/23/2004	Puntus, Marc	2.0	Discussion re industry valuation analysis
06/23/2004	Ying, David	2.0	Discussion re industry valuation analysis
06/24/2004	Agrawal, Shantanu	3.0	Revisions to industry valuation analysis
06/24/2004	Agrawal, Shantanu	1.5	Prepare and review additional recovery scenarios.
06/24/2004	Haggard, Kevin	1.5	Prepare and review additional recovery scenarios.
06/24/2004	Puntus, Marc	2.0	Call w/Victor re: update and diligence items; several call w/Robins re: same; internal meeting w/Ying and team to discuss strategy, alternatives, etc.
06/24/2004	Ying, David	2.0	Call w/Victor re: update and diligence items; several call w/Robins re: same; internal meeting w/Ying and team to discuss strategy, alternatives, etc.
06/25/2004	Agrawal, Shantanu	1.0	Revisions to industry valuation analysis
06/25/2004	Agrawal, Shantanu	1.5	Discussion re: recovery scenario model
06/25/2004	Haggard, Kevin	0.5	Contact company re: intercompany analysis.
06/25/2004	Haggard, Kevin	1.5	Discussion re: recovery scenario model
06/25/2004	Puntus, Marc	3.0	Calls w/Lodge and Verlin re: status of negotiations; calls w/Ying re: same; calls w/Robins at Greenhill and Lampe on Committee re: same
06/26/2004	Puntus, Marc	1.0	Calls w/Nyhan and Lodge re: status of negotiations and planning
06/27/2004	Agrawal, Shantanu	1.5	Review of industry valuation analysis
06/27/2004	Haggard, Kevin	1.5	Review of industry valuation analysis
06/27/2004	Hartman, Molly	1.5	Review of industry valuation analysis
06/27/2004	Lucania, James	1.5	Review of industry valuation analysis
06/27/2004	Puntus, Marc	2.5	Conference call w/Company and counsel re: strategy and next steps
06/27/2004	Shah, Roopesh	2.5	Conference call w/Company and counsel re: strategy and next steps
06/27/2004	Ying, David	2.5	Conference call w/Company and counsel re: strategy and next steps
06/28/2004	Puntus, Marc	4.0	Meet w/Pagon re: status and issues (2); meeting w/Singer and Lampe re: status and issues (2)
06/28/2004	Ying, David	4.0	Meet w/Pagon re: status and issues (2); meeting w/Singer and Lampe re: status and issues (2)
06/29/2004	Puntus, Marc	4.0	Various phone and conference calls w/bondholders, committee fa's and others re: status, meeting and issues; meeting w/Ying re: strategy; calls w/Lodge re: status and strategy; prepare outline for Committee meeting agenda and presentation
06/29/2004	Puntus, Marc	1.0	Meet w/Ying re: strategy and tactics
06/29/2004	Ying, David	1.0	Meet w/Ying re: strategy and tactics
06/30/2004	Puntus, Marc	1.5	Various calls w/Company and committee re: tactics and process
07/01/2004	Puntus, Marc	2.0	Meet w/Pagon and Debevoise
07/01/2004	Sprung, Lloyd	2.0	Meet w/Pagon and Debevoise
07/01/2004	Ying, David	2.0	Meet w/Pagon and Debevoise
07/05/2004	Haggard, Kevin	0.5	Update recovery analysis for new scenario

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
07/06/2004	Haggard, Kevin	1.0	Contact with Company, Chanin re: reporting requirements; 13-week cf
07/07/2004	Agrawal, Shantanu	4.0	Primestar analysis
07/07/2004	Haggard, Kevin	1.0	Review pre-petition claims listing; TC with D. Quigley
07/08/2004	Agrawal, Shantanu	6.0	Capital structure review and analysis
07/08/2004	Agrawal, Shantanu	3.0	Review and make edits to Primestar analysis
07/08/2004	Haggard, Kevin	1.0	Review i/c analysis; provide comments
07/08/2004	Lucania, James	2.0	Produce and review various analysis
07/08/2004	Lucania, James	3.0	Review and make edits to Primestar analysis
07/08/2004	Sprung, Lloyd	1.0	Review and comment on plan term sheet
07/08/2004	Sprung, Lloyd	1.0	Review analysis of intercomp. transactions and trimester restructuring
07/09/2004	Agrawal, Shantanu	4.0	Capital structure review and analysis
07/10/2004	Haggard, Kevin	2.5	Company strategy conference call
07/10/2004	Lucania, James	2.5	Company strategy conference call
07/10/2004	Puntus, Marc	2.5	Company strategy conference call
07/10/2004	Sprung, Lloyd	2.5	Company strategy conference call
07/11/2004	Agrawal, Shantanu	2.0	Board of Directors Call
07/11/2004	Haggard, Kevin	2.0	Board of Directors Call
07/11/2004	Hartman, Molly	2.0	Board of Directors Call
07/11/2004	Lucania, James	2.0	Board of Directors Call
07/11/2004	Puntus, Marc	2.0	Board of Directors Call
07/12/2004	Agrawal, Shantanu	5.5	Recovery analyses - updates based on discussions; retool; TCs with Pooler, internal
07/12/2004	Agrawal, Shantanu	1.0	Review of capital structure analysis
07/12/2004	Haggard, Kevin	5.5	Recovery analyses - updates based on discussions; retool; TCs with Pooler, internal
07/12/2004	Lucania, James	1.0	Review of capital structure analysis
07/13/2004	Agrawal, Shantanu	1.0	Updates to capital structure analysis
07/13/2004	Haggard, Kevin	2.5	Further updates to recovery analysis based on meetings.
07/13/2004	Haggard, Kevin	2.0	Update recovery analysis based on internal discussion.
07/14/2004	Agrawal, Shantanu	2.0	Update to capital structure analysis
07/14/2004	Haggard, Kevin	3.0	Updates to recovery analysis based on meetings.
07/15/2004	Agrawal, Shantanu	1.0	Discussion re capital structure analysis
07/15/2004	Agrawal, Shantanu	1.0	Conference call regarding summary recovery analysis
07/15/2004	Haggard, Kevin	2.0	Review staff updates to recovery analysis; quality control procedures.
07/15/2004	Haggard, Kevin	1.5	Updates to recovery analysis based on discussions with Sidley.
07/15/2004	Haggard, Kevin	1.0	Discussion re capital structure analysis
07/15/2004	Haggard, Kevin	1.0	Contact with Co. re: PBT balance sheet, projections; TC re: same.
07/15/2004	Haggard, Kevin	1.0	Conference call regarding summary recovery analysis
07/15/2004	Hartman, Molly	1.0	Conference call regarding summary recovery analysis
07/15/2004	Lucania, James	1.0	Review recovery analysis
07/15/2004	Lucania, James	1.0	Conference call regarding summary recovery analysis
07/15/2004	Lucania, James	1.0	Discussion re capital structure analysis
07/15/2004	Puntus, Marc	1.0	Discussion re capital structure analysis
07/15/2004	Puntus, Marc	1.0	Conference call regarding summary recovery analysis
07/15/2004	Sprung, Lloyd	1.0	Discussion re capital structure analysis
07/15/2004	Sprung, Lloyd	1.0	Conference call regarding summary recovery analysis
07/16/2004	Agrawal, Shantanu	1.0	Edits to recovery analysis

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
07/16/2004	Haggard, Kevin	2.0	Reconfigure recovery analysis into new file
07/16/2004	Haggard, Kevin	1.0	Review PCMC agreement; i/c discussion with J. Pooler.
07/16/2004	Haggard, Kevin	1.0	Review preliminary i/c analysis; TC with J. Pooler re: same.
07/19/2004	Agrawal, Shantanu	1.0	Finalize recovery analysis draft; distribute to Co. and creditors
07/19/2004	Agrawal, Shantanu	1.5	Further updates to recovery analysis per meetings with DTV
07/19/2004	Agrawal, Shantanu	2.0	Review PST balance sheet detail; TC with J. Pooler re: same
07/19/2004	Haggard, Kevin	1.5	Prepare open items list for recovery analysis; TC with J. Pooler re: same.
07/19/2004	Haggard, Kevin	1.5	Further updates to recovery analysis per meetings with DTV
07/19/2004	Haggard, Kevin	1.0	Finalize recovery analysis draft; distribute to Co. and creditors
07/19/2004	Haggard, Kevin	2.0	Review PST balance sheet detail; TC with J. Pooler re: same
07/19/2004	Haggard, Kevin	1.5	TCs to discuss changes to recovery analysis
07/19/2004	Haggard, Kevin	2.5	Updates to recovery analyses.
07/19/2004	Haggard, Kevin	1.0	TC with J. Pooler, S. Hammond re: 6/30 balance sheet
07/19/2004	Lucania, James	2.0	Review PST balance sheet detail; TC with J. Pooler re: same
07/19/2004	Lucania, James	1.0	TC with J. Pooler, S. Hammond re: 6/30 balance sheet
07/19/2004	Sprung, Lloyd	1.5	TCs to discuss changes to recovery analysis
07/19/2004	Sprung, Lloyd	1.0	TC with J. Pooler, S. Hammond re: 6/30 balance sheet
07/20/2004	Agrawal, Shantanu	1.5	Updates to recovery analysis based on TC with Co.
07/20/2004	Haggard, Kevin	1.5	Updates to recovery analysis based on TC with Co.
07/20/2004	Haggard, Kevin	2.5	Updates to recovery analysis based on negotiations
07/20/2004	Haggard, Kevin	1.0	TC with Company re: working capital adjustments
07/20/2004	Hartman, Molly	1.0	TC with Company re: working capital adjustments
07/20/2004	Puntus, Marc	1.0	TC with Company re: working capital adjustments
07/20/2004	Sprung, Lloyd	1.0	TC with Company re: working capital adjustments
07/21/2004	Agrawal, Shantanu	1.0	Updates to recovery analyses; provide to creditors.
07/21/2004	Haggard, Kevin	0.5	Recovery analyses - review l/c amount; contact J. Pooler
07/21/2004	Haggard, Kevin	1.0	Updates to recovery analyses; provide to creditors.
07/21/2004	Sprung, Lloyd	1.0	Review / update recovery analysis.
07/22/2004	Haggard, Kevin	1.0	Review interest calcs on 2nd lien; update recovery analysis.
07/22/2004	Haggard, Kevin	1.0	Updates to recovery analysis based on call with UCC advisors
07/22/2004	Haggard, Kevin	1.0	TCs with J. Pooler, S. Hammond re: recovery analysis, cash projections.
07/22/2004	Sprung, Lloyd	3.0	Review of market deal documentation. Review and comment on recovery analysis and working capital adjustments.
07/23/2004	Haggard, Kevin	1.0	Prepare for call re: working capital adjustment; TCs with J. Pooler.
07/23/2004	Lucania, James	0.5	TC with Company counsel re: recovery analysis
07/29/2004	Haggard, Kevin	5.0	Reformat Recovery analysis to match APA; update figures, etc; discussions re: same.
07/30/2004	Haggard, Kevin	3.0	Updates to recovery analysis; discussions with J. Pooler, D. Quigley re: same.
07/30/2004	Sprung, Lloyd	3.0	Review and mark up of recovery analysis. Review of draft motions for the bankruptcy court. Calls with the company.
08/01/2004	Puntus, Marc	2.0	Calls re: motion, settlement and related issues; review draft motion; other calls
08/03/2004	Haggard, Kevin	4.5	Run various recovery analyses assuming status quo ante
08/03/2004	Haggard, Kevin	1.0	Call with J. Pooler re: 13-week cash forecast; review file provided to creditors
08/03/2004	Lucania, James	2.0	Internal strategy meeting
08/03/2004	Puntus, Marc	2.0	Internal strategy meeting
08/03/2004	Sprung, Lloyd	2.0	Internal strategy meeting
08/04/2004	Haggard, Kevin	1.0	Update recovery analysis - 9/1 closing date.

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
08/06/2004	Haggard, Kevin	1.5	Review revised 13-week cash forecast; discuss with J. Pooler and L. Samples
08/10/2004	Agrawal, Shantanu	0.5	Review of industry comparables analysis
08/10/2004	Agrawal, Shantanu	1.0	Review of latest industry research
08/10/2004	Agrawal, Shantanu	2.0	Update to industry comparable analysis
08/10/2004	Lucania, James	1.0	Review of latest industry research
08/10/2004	Lucania, James	0.5	Review of industry comparables analysis
08/10/2004	Puntus, Marc	1.0	Review of latest industry research
08/10/2004	Puntus, Marc	0.5	Review of industry comparables analysis
08/10/2004	Sprung, Lloyd	1.0	Review of latest industry research
08/13/2004	Agrawal, Shantanu	3.0	Preparation for historical comp analysis
08/14/2004	Agrawal, Shantanu	6.0	Historical comp analysis
08/15/2004	Agrawal, Shantanu	7.0	Historical comp analysis
08/16/2004	Agrawal, Shantanu	1.0	Review of historical comp analysis
08/16/2004	Agrawal, Shantanu	0.5	Discussion re historical comp analysis
08/16/2004	Lucania, James	0.5	Discussion re historical comp analysis
08/16/2004	Lucania, James	1.0	Review of historical comp analysis
08/16/2004	Puntus, Marc	0.5	Discussion re historical comp analysis
01/06/2005	Agrawal, Shantanu	1.5	conf call with pooler to discuss recovery analysis and related calls
01/06/2005	Lucania, James	1.5	conf call with pooler to discuss recovery analysis and related calls
01/06/2005	Puntus, Marc	1.5	conf call with pooler to discuss recovery analysis and related calls
01/06/2005	Sprung, Lloyd	1.5	conf call with pooler to discuss recovery analysis and related calls
01/13/2005	Lucania, James	0.5	Discuss cash flow forecasts with Quigley
01/13/2005	Lucania, James	1.0	Work on recovery analysis
01/14/2005	Lucania, James	0.5	Calls with Sidley and Pooler re: recovery analysis
01/26/2005	Lucania, James	1.0	TC with Sidley re: recovery analysis
	Total	352.5	

4. DBS Sale Process & Global Settlement (TOTAL HOURS = 439.5)

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
06/23/2004	Puntus, Marc	3.0	Meet w/CSFB and Goldman to discuss DTV status; calls w/Company and Sidley re: same
06/23/2004	Ying, David	3.0	Meet w/CSFB and Goldman to discuss DTV status; calls w/Company and Sidley re: same
07/07/2004	Agrawal, Shantanu	3.0	Term sheet team call
07/07/2004	Agrawal, Shantanu	2.0	Call to review plan termsheet with Company and counsel
07/07/2004	Haggard, Kevin	3.0	Term sheet team call
07/07/2004	Lucania, James	3.0	Term sheet team call
07/07/2004	Puntus, Marc	7.0	Various calls w/Company, creditors and committe re: term sheet, settlement discussions and other related discussions; review and revise term sheet and calls re: same; meet w/team on UC transaction analysis; meet on other related projects
07/07/2004	Puntus, Marc	3.0	Term sheet team call
07/07/2004	Sprung, Lloyd	3.0	Term sheet team call
07/07/2004	Sprung, Lloyd	2.0	Call to review plan termsheet with Company and counsel
07/07/2004	Ying, David	3.0	Term sheet team call
07/07/2004	Ying, David	1.0	Conference call re. term sheet
07/08/2004	Agrawal, Shantanu	1.0	Conference call re. term sheet
07/08/2004	Haggard, Kevin	1.0	Conference call re. term sheet
07/08/2004	Hartman, Molly	1.0	Conference call re. term sheet

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
07/08/2004	Lucania, James	1.0	Conference call re. term sheet
07/08/2004	Puntus, Marc	1.0	Conference call re. term sheet
07/08/2004	Puntus, Marc	3.0	Review and revise plan term sheet; tcs re: same
07/08/2004	Puntus, Marc	3.0	Various calls with Committee, Company, bondholders and others re: term sheet, DTV and other; calls w/other related parties; review of Primestar material and IC transaction analysis
07/08/2004	Sprung, Lloyd	1.0	Conference call re. term sheet
07/09/2004	Puntus, Marc	4.0	Conference calls w/Company re: DTV meeting, term sheet; calls w/Committee counsel and members and fa's re: term sheet, DTV meeting and other related issues
07/13/2004	Puntus, Marc	12.5	Meetings at Sidley
07/14/2004	Puntus, Marc	12.5	Meetings at Sidley
07/16/2004	Puntus, Marc	6.0	Meetings at Sidney
07/19/2004	Haggard, Kevin	1.0	Read updated draft of APA, settlement and cooperation agreement.
07/19/2004	Puntus, Marc	13.0	Meetings at Sidley
07/20/2004	Puntus, Marc	10.0	Meetings re: APA, settlement agreement, coop agreement and other; various calls w/Compant and committee; call w/related
07/21/2004	Haggard, Kevin	7.0	Meetings re: APA, settlement agreement and coop agreement
07/21/2004	Lucania, James	4.5	Review APA and prepare schedules
07/21/2004	Puntus, Marc	7.0	Meetings re: APA, settlement agreement and coop agreement
07/21/2004	Sprung, Lloyd	1.0	Review of deal documentation and schedule.
07/22/2004	Agrawal, Shantanu	1.0	Review diligence materials for DTV and post to Intralinks
07/22/2004	Haggard, Kevin	1.5	TCs with J. Pooler, Co. re: APA diligence
07/22/2004	Haggard, Kevin	1.0	Review diligence materials for DTV and post to Intralinks
07/22/2004	Lucania, James	1.5	TCs with J. Pooler, Co. re: APA diligence
07/22/2004	Lucania, James	1.0	Review diligence materials for DTV and post to Intralinks
07/22/2004	Puntus, Marc	14.0	Meetings at Weil Gotshal; calls w/Committee; calls w/Pagon; various other items and matters
07/23/2004	Haggard, Kevin	1.0	TCs to company re APA schedules
07/23/2004	Haggard, Kevin	1.5	TCs with J. Pooler, S. Blank re: schedules to APA
07/23/2004	Haggard, Kevin	2.0	Calls w Company and DTV re: call centers, working capital adjustment.
07/23/2004	Lucania, James	1.0	TCs to company re APA schedules
07/23/2004	Lucania, James	2.0	Calls w Company and DTV re: call centers, working capital adjustment.
07/23/2004	Puntus, Marc	6.0	Various calls w/Committee re: KERP, APA and other issues; calls w/Company re: same; review latest docs; update on w/c analysis and call center discussions and analysis; various other calls and internal meetings
07/23/2004	Sprung, Lloyd	2.0	Conference call with DTV on call centers and working capital analysis
07/23/2004	Sprung, Lloyd	1.0	TCs to company re APA schedules
07/23/2004	Sprung, Lloyd	2.0	Calls w Company and DTV re: call centers, working capital adjustment.
07/24/2004	Lucania, James	5.0	Review revised APA and produce APA schedules
07/24/2004	Puntus, Marc	8.0	Review and revise markups of APA, coop agreement and settlement agreement and working capital issues
07/25/2004	Haggard, Kevin	17.0	Calls w/Company re: KERP, APA and related issues; call w/Greenhill re: working capital and related issues; meetings at Weil re: APA, coop agreement and settlement agreement
07/25/2004	Puntus, Marc	17.0	Calls w/Company re: KERP, APA and related issues; call w/Greenhill re: working capital and related issues; meetings at Weil re: APA, coop agreement and settlement agreement
07/25/2004	Sprung, Lloyd	13.0	Meetings at WGM to negotiate safe transaction and related settlement agreements
07/26/2004	Agrawal, Shantanu	1.0	Internal update calls
07/26/2004	Haggard, Kevin	1.0	Internal update calls

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
07/26/2004	Lucania, James	1.0	Internal update calls
07/26/2004	Puntus, Marc	17.0	Deal negotiations; KERP negotiations; settlement negotiations; conference calls, tcs and meetings re: the same
07/26/2004	Sprung, Lloyd	10.0	Meetings at WGM to negotiate transaction documents. Negotiations of KERP with creditor's committee. Review and comment on recovery analysis.
07/26/2004	Sprung, Lloyd	1.0	Internal update calls
07/26/2004	Ying, David	1.0	Internal update calls
07/27/2004	Haggard, Kevin	8.0	Meetings at Weil: APA, Coop drafts and negotiations
07/27/2004	Haggard, Kevin	1.0	Meeting at Akin re: APA and Coop drafts
07/27/2004	Haggard, Kevin	2.5	Updates to KERP proposal; discussions with UCC
07/27/2004	Lucania, James	2.0	Prepare preliminary valuation analysis for Settlement motion.
07/27/2004	Lucania, James	6.0	TC with Company; drafted and modified schedules to APA
07/27/2004	Puntus, Marc	8.0	Meetings at Weil: APA, Coop drafts and negotiations
07/27/2004	Puntus, Marc	1.0	Meeting at Akin re: APA and Coop drafts
07/27/2004	Sprung, Lloyd	8.0	Meetings at Weil: APA, Coop drafts and negotiations
07/27/2004	Sprung, Lloyd	1.0	Meeting at Akin re: APA and Coop drafts
07/28/2004	Haggard, Kevin	14.0	Meetings at Weil re: APA, Coop, Settlement
07/28/2004	Lucania, James	6.0	TC with Company and make modifications to APA schedules
07/28/2004	Puntus, Marc	14.0	Meetings at Weil re: APA, Coop, Settlement
07/28/2004	Sprung, Lloyd	14.0	Meetings at Weil re: APA, Coop, Settlement
07/28/2004	Sprung, Lloyd	7.0	Meetings at Weil
07/29/2004	Haggard, Kevin	3.0	Updates to APA Schedules; Coop Schedules.
07/29/2004	Puntus, Marc	14.0	Internal meetings with Lodge; Board calls with Company; meetings at Weil with DTV, Committee and others; final negotiations on deal docs and related
07/29/2004	Sprung, Lloyd	14.0	Internal meetings with Lodge; Board calls with Company; meetings at Weil with DTV, Committee and others; final negotiations on deal docs and related
08/13/2004	Puntus, Marc	3.0	Deposition preparation with Marc Puntus at Sidney Austin.
08/13/2004	Sprung, Lloyd	3.0	Deposition preparation with Marc Puntus at Sidney Austin.
08/23/2004	Sprung, Lloyd	1.0	Calls/emails with the Company regarding closing process.
08/24/2004	Puntus, Marc	10.0	Meetings and preparation for Sale Hearing
08/25/2004	Puntus, Marc	10.0	Participate in Sale Hearing.
08/25/2004	Sprung, Lloyd	10.0	Participate in Sale Hearing.
08/26/2004	Puntus, Marc	10.0	Participate in Sale Hearing. Review and negotiate closing schedules with management and Direct TV.
08/26/2004	Sprung, Lloyd	10.0	Participate in Sale Hearing. Review and negotiate closing schedules with management and Direct TV.
08/27/2004	Puntus, Marc	1.0	Calls with company and counsel regarding transaction closing and cash management.
08/27/2004	Sprung, Lloyd	1.0	Calls with company and counsel regarding transaction closing and cash management.
	Total	439.5	

5. PBT Sale Process (TOTAL HOURS = 738.0)

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
07/22/2004	Agrawal, Shantanu	0.5	Discuss PBT OM
07/22/2004	Haggard, Kevin	0.5	Discuss PBT OM
07/22/2004	Lucania, James	0.5	Discuss PBT OM
07/23/2004	Haggard, Kevin	0.5	Review PBT bidding procedures
07/23/2004	Haggard, Kevin	1.0	TC with J. Levine re: PBT om; sale process; review files provided.

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
07/23/2004	Lucania, James	0.5	Review PBT bidding procedures
07/23/2004	Lucania, James	1.0	Review preliminary PBT OM materials
07/27/2004	Agrawal, Shantanu	2.0	Data room setup
07/27/2004	Agrawal, Shantanu	3.0	Preparation of asset review
07/27/2004	Agrawal, Shantanu	0.5	Review of comps
07/27/2004	Erickson, Stuart	0.5	Review of comps
07/27/2004	Erickson, Stuart	0.5	Discuss preliminary steps - OM, potential buyers, diligence
07/27/2004	Hartman, Molly	3.0	Preparation of asset review
07/27/2004	Lucania, James	1.0	TC with Company to set up initial diligence of PBT for sale process
07/27/2004	Lucania, James	0.5	Review of comps
07/27/2004	Lucania, James	0.5	Discuss preliminary steps - OM, potential buyers, diligence
07/30/2004	Agrawal, Shantanu	2.0	Draft of PBT OM
07/30/2004	Agrawal, Shantanu	5.0	Work on PBT OM
07/30/2004	Erickson, Stuart	2.0	Draft of PBT OM
07/30/2004	Hartman, Molly	5.0	Work on PBT OM
07/30/2004	Lucania, James	2.0	Prepare PBT OM structure
07/30/2004	Lucania, James	2.0	Draft of PBT OM
08/02/2004	Agrawal, Shantanu	5.0	PBT due diligence at Company in Philadelphia
08/02/2004	Erickson, Stuart	5.0	PBT due diligence at Company in Philadelphia
08/02/2004	Lucania, James	5.0	PBT due diligence at Company in Philadelphia
08/04/2004	Agrawal, Shantanu	1.0	Internal meeting wrt PBT OM
08/04/2004	Erickson, Stuart	1.0	Internal meeting wrt PBT OM
08/04/2004	Lucania, James	1.0	Mark up to PBT OM
08/04/2004	Lucania, James	1.0	Internal meeting wrt PBT OM
08/05/2004	Agrawal, Shantanu	2.0	Review of PBT financials and edits to OM
08/05/2004	Lucania, James	2.0	Review of PBT financials and edits to OM
08/06/2004	Agrawal, Shantanu	1.0	Updates to data room
08/06/2004	Agrawal, Shantanu	6.0	Edits to PBT OM
08/06/2004	Erickson, Stuart	1.0	Conversation with potential bidder
08/06/2004	Erickson, Stuart	1.0	Review of PBT OM
08/06/2004	Lucania, James	1.0	Review of PBT OM
08/07/2004	Agrawal, Shantanu	1.5	Conference calls with Company and Sidley re PBT sale process
08/07/2004	Erickson, Stuart	1.5	Conference calls with Company and Sidley re PBT sale process
08/07/2004	Lucania, James	1.5	Conference calls with Company and Sidley re PBT sale process
08/08/2004	Agrawal, Shantanu	6.0	Edits to OM
08/08/2004	Lucania, James	6.0	Edits to OM
08/09/2004	Agrawal, Shantanu	6.0	Edits to PBT OM
08/09/2004	Erickson, Stuart	1.0	Discussion with Company
08/09/2004	Lucania, James	3.0	Review and modify OM
08/10/2004	Erickson, Stuart	3.0	Review of PBT OM
08/10/2004	Lucania, James	2.0	Create timeline and responsibilities chart
08/10/2004	Lucania, James	1.0	Review and edit OM
08/11/2004	Agrawal, Shantanu	0.5	Discussion re sale contact list
08/11/2004	Agrawal, Shantanu	0.5	Internal meeting to discuss PBT OM
08/11/2004	Erickson, Stuart	0.5	Internal meeting to discuss PBT OM
08/11/2004	Lucania, James	0.5	Discussion re sale contact list

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
08/11/2004	Lucania, James	0.5	Internal meeting to discuss PBT OM
08/11/2004	Lucania, James	8.0	Review and modify OM
08/12/2004	Lucania, James	2.0	Review of PBT industry comparables
08/13/2004	Lucania, James	3.0	Review OM
08/14/2004	Erickson, Stuart	1.0	Conversation with potential bidder
08/16/2004	Agrawal, Shantanu	0.5	Internal meeting to discuss OM and process
08/16/2004	Erickson, Stuart	2.0	Review of OM
08/16/2004	Erickson, Stuart	0.5	Internal meeting to discuss OM and process
08/16/2004	Lucania, James	0.5	Internal meeting to discuss OM and process
08/17/2004	Agrawal, Shantanu	2.0	Set up of PBT data room
08/17/2004	Agrawal, Shantanu	0.5	Call with Company to discuss OM open issues
08/17/2004	Lucania, James	0.5	Call with Company to discuss OM open issues
08/18/2004	Agrawal, Shantanu	0.5	Edits to sale contact list
08/18/2004	Agrawal, Shantanu	5.0	Edits to OM
08/19/2004	Agrawal, Shantanu	5.0	Preparation of contact list
08/19/2004	Lucania, James	6.0	Work on OM
08/20/2004	Agrawal, Shantanu	4.0	Preparation of contact list
08/20/2004	Agrawal, Shantanu	2.0	Edits to OM
08/20/2004	Erickson, Stuart	1.0	Conversation with potential bidders
08/20/2004	Lucania, James	3.0	Work on OM
08/21/2004	Agrawal, Shantanu	7.0	Edits to OM
08/21/2004	Erickson, Stuart	2.5	Review of OM
08/22/2004	Agrawal, Shantanu	2.0	Edits to OM & Distribution
08/22/2004	Agrawal, Shantanu	1.0	Update re PBT process, OM
08/22/2004	Erickson, Stuart	0.5	Conversations with Company re OM
08/22/2004	Erickson, Stuart	1.0	Update re PBT process, OM
08/22/2004	Erickson, Stuart	1.0	Conference call with Sidley re PBT sale
08/22/2004	Lucania, James	1.0	Update re PBT process, OM
08/22/2004	Lucania, James	2.0	Edits to OM & Distribution
08/22/2004	Lucania, James	1.0	Conference call with Sidley re PBT sale
08/22/2004	Puntus, Marc	1.0	Update re PBT process, OM
08/24/2004	Agrawal, Shantanu	4.0	Edits to contact list
08/24/2004	Lucania, James	1.0	Review comments to OM
08/25/2004	Agrawal, Shantanu	2.0	Review of sale contact list
08/25/2004	Agrawal, Shantanu	3.0	Edits to sale contact list
08/25/2004	Erickson, Stuart	3.0	Edits to sale contact list
08/25/2004	Erickson, Stuart	2.0	Review of sale contact list
08/25/2004	Lucania, James	3.0	Edits to sale contact list
08/25/2004	Lucania, James	2.0	Review of sale contact list
08/26/2004	Erickson, Stuart	0.5	Conversation with potential bidder
08/26/2004	Erickson, Stuart	0.5	Conference call with Sidley re PBT sale
08/26/2004	Lucania, James	0.5	Conference call with Sidley re PBT sale
08/30/2004	Agrawal, Shantanu	0.5	Edits to contact list
09/09/2004	Lucania, James	1.0	conversations with potential buyers
09/14/2004	Erickson, Stuart	3.5	Review PBT OM edits from Sidley; meet with Puntus re: OM and next steps; calls with Lodge

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
09/14/2004	Lucania, James	1.0	Conversations with potential bidders
09/14/2004	Lucania, James	3.5	Review PBT OM edits from Sidley; meet with Puntus re: OM and next steps; calls with Lodge
09/14/2004	Puntus, Marc	3.5	Review PBT OM edits from Sidley; meet with Puntus re: OM and next steps; calls with Lodge
09/15/2004	Erickson, Stuart	2.0	Call with Company and Sidley to discuss PBT OM
09/15/2004	Lucania, James	6.0	Work on PBT OM
09/15/2004	Lucania, James	2.0	Call with Company and Sidley to discuss PBT OM
09/16/2004	Lucania, James	8.0	Work on PBT OM
09/17/2004	Lucania, James	6.0	Review and update PBT OM
09/20/2004	Lucania, James	6.0	review and update PBT OM
09/20/2004	Lucania, James	2.0	Review draft of PCC stock purchase agreement
09/21/2004	Lucania, James	2.0	review comments to OM
10/04/2004	Erickson, Stuart	1.0	Discuss updates to PBT OM
10/04/2004	Lucania, James	1.0	Discuss updates to PBT OM
10/12/2004	Agrawal, Shantanu	1.0	Call with Company re: PBT OM and sale process issues
10/12/2004	Lucania, James	1.0	Call with Company re: PBT OM and sale process issues
10/14/2004	Lucania, James	2.0	Review PBT OM
10/15/2004	Agrawal, Shantanu	1.0	Call with Company re: PBT OM edits
10/15/2004	Agrawal, Shantanu	0.5	Call with Andrew Smith re: digital buildout
10/15/2004	Lucania, James	1.0	Call with Company re: PBT OM edits
10/15/2004	Lucania, James	0.5	Call with Andrew Smith re: digital buildout
10/15/2004	Lucania, James	0.5	TC with potential buyers of PBT assets
10/21/2004	Puntus, Marc	1.0	Calls w/Lodge and Botter re: PBT and stalking horse related
11/05/2004	Erickson, Stuart	1.0	Internal discussion re: sale timeline
11/05/2004	Lucania, James	1.0	Internal discussion re: sale timeline
11/05/2004	Puntus, Marc	1.0	Internal discussion re: sale timeline
11/23/2004	Lucania, James	3.0	work on PBT OM
11/24/2004	Lucania, James	2.0	work on PBT OM
11/30/2004	Lucania, James	1.0	PBT OM
12/01/2004	Lucania, James	0.5	review of PBT OM
12/01/2004	Puntus, Marc	1.0	Review latest OM and discuss with JL
12/03/2004	Lucania, James	0.5	TC with Jason Levine re: PBT sale
12/06/2004	Lucania, James	0.5	research Greenhill questions re PBT
01/13/2005	Puntus, Marc	3.0	Review and revise PBT OM
01/14/2005	Erickson, Stuart	1.0	Review offering memorandum.
01/26/2005	Lucania, James	0.5	TC with company re PBT OM
02/02/2005	Agrawal, Shantanu	1.0	Call with Akin and Company to discuss open issues to PBT stalking horse agreement, and related calls
02/02/2005	Erickson, Stuart	1.0	Call with Akin and Company to discuss open issues to PBT stalking horse agreement, and related calls
02/02/2005	Lucania, James	1.0	Call with Akin and Company to discuss open issues to PBT stalking horse agreement, and related calls
02/02/2005	Lucania, James	0.5	Conversation with Doyle Badden re: interest in Florida stations
02/02/2005	Puntus, Marc	1.0	Call with Akin and Company to discuss open issues to PBT stalking horse agreement, and related calls
02/07/2005	Lucania, James	1.0	Update OM
02/08/2005	Lucania, James	3.0	Review and update OM

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
02/08/2005	Lucania, James	1.0	conversations with interested buyers
02/08/2005	Puntus, Marc	1.0	Review and revise updated OM and discuss with JL and SE
02/09/2005	Lucania, James	2.0	Work on OM and Teaser
02/09/2005	Lucania, James	1.0	conversations with Nachman re OM and teaser
02/10/2005	Lucania, James	2.0	Work on OM
02/11/2005	Lucania, James	5.0	Work on OM and teaser. Calls with Nachman.
02/14/2005	Lucania, James	1.0	review OM comments from Nachman
02/15/2005	Erickson, Stuart	1.0	Call with Company and committee
02/15/2005	Lucania, James	0.5	Conversation with interested buyers
02/15/2005	Lucania, James	1.0	Call with Company and committee
02/15/2005	Puntus, Marc	1.0	Call with Company and committee
02/16/2005	Erickson, Stuart	2.0	Work on PBT OM and teaser
02/16/2005	Lucania, James	2.0	Work on PBT OM and teaser
03/02/2005	Lucania, James	0.5	discussion with potential buyers
03/08/2005	Lucania, James	1.0	update OM
03/09/2005	Erickson, Stuart	0.5	Call with Company and Sidley re sale process
03/09/2005	Lucania, James	5.0	Update OM, revise timeline, write OM cover letter, revise teaser, update buyer list
03/09/2005	Lucania, James	0.5	Call with Company and Sidley re sale process
03/09/2005	Puntus, Marc	0.5	Call with Company and Sidley re sale process
03/10/2005	Erickson, Stuart	2.0	Review of offering memorandum and discuss with MP
03/10/2005	Lucania, James	1.0	Update buyer list and OM
03/10/2005	Puntus, Marc	2.0	Review of offering memorandum and discuss with MP
03/11/2005	Erickson, Stuart	3.0	Calls to potential investors.
03/11/2005	Lucania, James	8.0	Calling prospective buyers, sending out teasers/CAs, negotiating CAs, updating OM
03/11/2005	Puntus, Marc	5.0	Review of existing timeline and process issues and latest OM; calls to potential bidders; call with Botter re: process
03/13/2005	Lucania, James	2.0	updating contact log
03/14/2005	Erickson, Stuart	2.0	Calls with potential investors.
03/14/2005	Holt, Andrew	2.0	Contact Log update, revisions
03/14/2005	Holt, Andrew	3.0	Administrating NDA's, teasers.
03/14/2005	Lucania, James	10.0	updating contact log, calling buyers, negotiating CAs, revisions to OM
03/14/2005	Puntus, Marc	3.0	Calls with bidders; call with Lodge; meet with PBT sale team
03/15/2005	Erickson, Stuart	1.0	Calls with potential investors.
03/15/2005	Holt, Andrew	10.0	Updating OM, contacting buyers, distributing and negotiating NDAs
03/15/2005	Lucania, James	10.0	Updating OM, contacting buyers, distributing and negotiating NDAs
03/16/2005	Erickson, Stuart	1.5	Calls with potential investors.
03/16/2005	Holt, Andrew	10.0	Updating OM, contacting buyers, distributing and negotiating NDAs
03/16/2005	Lucania, James	10.0	Updating OM, contacting buyers, distributing and negotiating NDAs
03/17/2005	Erickson, Stuart	2.0	Review of OM.
03/17/2005	Erickson, Stuart	1.0	Review of OM.
03/17/2005	Holt, Andrew	10.0	Updating OM, contacting buyers, distributing and negotiating NDAs
03/17/2005	Lucania, James	10.0	Updating OM, contacting buyers, distributing and negotiating NDAs
03/18/2005	Erickson, Stuart	1.0	Calls with potential investors.
03/18/2005	Erickson, Stuart	2.0	Review of OM.
03/18/2005	Holt, Andrew	8.0	Updating OM, contacting buyers, distributing and negotiating NDAs
03/18/2005	Lucania, James	8.0	Updating OM, contacting buyers, distributing and negotiating NDAs

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
03/21/2005	Erickson, Stuart	2.0	Calls with potential investors.
03/21/2005	Holt, Andrew	2.0	Administrating CA's
03/21/2005	Lucania, James	10.0	Negotiate NDAs, Update OM, converstations with PBT, Sidley, Greenhill, buyers
03/22/2005	Erickson, Stuart	2.0	Calls with potential bidders.
03/22/2005	Holt, Andrew	3.0	Administrating CA's
03/22/2005	Lucania, James	8.0	Negotiating CAs, final update of OM, printing OMs and sending out OMs
03/23/2005	Erickson, Stuart	3.0	Calls with potential investors; meet w/Puntus to discuss process and general
03/23/2005	Holt, Andrew	2.0	Administrating CA's, distributing OM
03/23/2005	Lucania, James	4.0	Negotiating NDAs. Continue distribution of OMs.
03/23/2005	Puntus, Marc	3.0	Calls with potential investors; meet w/Puntus to discuss process and general
03/24/2005	Holt, Andrew	2.0	Administrating CA's, distributing OM
03/24/2005	Holt, Andrew	1.0	Administrating CA's
03/24/2005	Lucania, James	4.0	Negotiating NDAs. Continue distribution of OMs.
03/25/2005	Erickson, Stuart	0.5	Call with Greenhill
03/25/2005	Holt, Andrew	1.0	Administrating CA's
03/25/2005	Lucania, James	4.0	Negotiating NDAs. Continue distribution of OMs.
03/25/2005	Lucania, James	0.5	Call with Greenhill
03/28/2005	Erickson, Stuart	4.0	Meetings with Company and Liquidating Trustee in Philadelphia
03/28/2005	Holt, Andrew	4.0	Meetings with Company and Liquidating Trustee in Philadelphia
03/28/2005	Lucania, James	4.0	Meetings with Company and Liquidating Trustee in Philadelphia
03/28/2005	Puntus, Marc	0.5	Call with Erickson re: diligence meeting
03/29/2005	Lucania, James	4.0	Various calls with Company and interested buyers -- negotiating NDAs, distributing OMs
03/30/2005	Erickson, Stuart	1.0	Review of management presentation
03/30/2005	Holt, Andrew	1.0	Review of management presentation
03/30/2005	Lucania, James	1.0	Review broadcast precedent transaction analysis
03/30/2005	Lucania, James	1.0	Review of management presentation
03/30/2005	Lucania, James	3.0	Various calls with Company and interested buyers -- negotiating NDAs, distributing OMs
03/31/2005	Erickson, Stuart	1.5	Review of management presentation and discuss
03/31/2005	Holt, Andrew	1.5	Review of management presentation and discuss
03/31/2005	Holt, Andrew	2.0	Management Presentation edits
03/31/2005	Lucania, James	2.0	Begin drafting management presentation template
03/31/2005	Lucania, James	1.5	Review of management presentation and discuss
03/31/2005	Puntus, Marc	1.5	Review of management presentation and discuss
04/01/2005	Holt, Andrew	1.0	Management Presentation edits
04/03/2005	Holt, Andrew	3.0	Management presentation edits
04/04/2005	Holt, Andrew	2.0	Management presentation edits
04/04/2005	Holt, Andrew	2.0	Management presentation edits
04/04/2005	Lucania, James	1.0	Calls with various potential bidders. Call with Nachman re follow up questions with buyers
04/05/2005	Holt, Andrew	1.5	Management Presentation Edits
04/05/2005	Holt, Andrew	1.0	Administrating CA's, distributing OM's
04/05/2005	Lucania, James	2.0	Conversations with potential bidders. Calls with company.
04/06/2005	Holt, Andrew	1.0	Administrating CA's
04/06/2005	Holt, Andrew	1.0	Management presentation edits
04/06/2005	Lucania, James	1.0	Conversations with potential bidders. Calls with company.

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
04/06/2005	Lucania, James	1.0	Review latest draft of management presentation
04/07/2005	Holt, Andrew	1.0	Administrating CAs
04/07/2005	Holt, Andrew	3.0	Management presentation edits
04/07/2005	Lucania, James	1.0	Review latest draft of management presentation
04/07/2005	Lucania, James	1.0	Conversations with potential bidders. Calls with company.
04/08/2005	Holt, Andrew	2.0	Management presentation edits
04/08/2005	Holt, Andrew	2.0	Administrating CA's, distributing OM's
04/08/2005	Holt, Andrew	1.0	Editing draft sale timeline
04/08/2005	Lucania, James	1.0	Review latest draft of management presentation
04/08/2005	Lucania, James	1.0	Conversations with potential bidders. Calls with company.
04/11/2005	Erickson, Stuart	1.5	Review initial bids and discuss with team.
04/11/2005	Holt, Andrew	2.0	Collect and review bids
04/11/2005	Holt, Andrew	3.0	Prepare bid summary
04/11/2005	Holt, Andrew	3.0	Administrate OM's, update Contact Log
04/11/2005	Lucania, James	1.0	Review initial bids
04/11/2005	Lucania, James	0.5	Calls with potential bidders
04/11/2005	Lucania, James	3.5	Update data room
04/11/2005	Lucania, James	1.5	Review initial bids and discuss with team.
04/11/2005	Puntus, Marc	1.5	Review initial bids and discuss with team.
04/12/2005	Erickson, Stuart	1.0	Calls with potential bidders.
04/12/2005	Holt, Andrew	1.0	Administrate CA's, OM's, Contact log
04/12/2005	Holt, Andrew	2.0	Update bid summary
04/12/2005	Lucania, James	1.0	Review bid summary
04/12/2005	Lucania, James	3.0	Update online data room
04/12/2005	Lucania, James	0.5	Conversations with bidders interested in submitting late bids
04/12/2005	Puntus, Marc	2.0	Calls with Lodge, Botter and bondholders re: broadcast and general; review and discuss bids and summary
04/13/2005	Erickson, Stuart	1.0	Conference call w/pegasus
04/13/2005	Holt, Andrew	2.0	Administrating CA's, distributing OM's, updating Contact Log
04/13/2005	Holt, Andrew	2.0	Management Presentation Edits
04/13/2005	Holt, Andrew	1.0	Conference call w/pegasus
04/13/2005	Lucania, James	0.5	Conversations with bidders
04/13/2005	Lucania, James	1.0	Conference call w/pegasus
04/14/2005	Erickson, Stuart	1.5	Conf Call with Company re management presentations
04/14/2005	Erickson, Stuart	1.0	Calls with potential bidders re: process.
04/14/2005	Holt, Andrew	2.0	Sale Timeline Revisions
04/14/2005	Holt, Andrew	1.0	Management Presentation Edits
04/14/2005	Holt, Andrew	1.5	Conf Call with Company re management presentations
04/14/2005	Lucania, James	1.0	Update sale timeline and draft second round letter
04/14/2005	Lucania, James	2.0	Updating Dataroom
04/14/2005	Lucania, James	1.5	Conf Call with Company re management presentations
04/14/2005	Lucania, James	0.5	Discussions with potential bidders
04/15/2005	Erickson, Stuart	1.0	Calls with potential bidders re: process.
04/15/2005	Holt, Andrew	4.5	Edits to management presentations
04/17/2005	Holt, Andrew	7.0	Management presentation edits
04/17/2005	Lucania, James	2.0	Review/comments on management presentations

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
04/18/2005	Erickson, Stuart	1.0	Calls with potential bidders re: process.
04/18/2005	Holt, Andrew	1.0	Update bid summary
04/18/2005	Holt, Andrew	0.5	Contact log update
04/19/2005	Erickson, Stuart	1.0	Calls with potential bidders re: process.
04/20/2005	Erickson, Stuart	1.0	Calls with potential bidders.
04/20/2005	Holt, Andrew	1.0	Compiling open items for management presentations
04/21/2005	Erickson, Stuart	1.0	Review of management presentations.
04/21/2005	Holt, Andrew	3.0	Management presentation edits
04/22/2005	Holt, Andrew	0.5	Administrating CA's
04/22/2005	Lucania, James	1.0	data room update
04/25/2005	Erickson, Stuart	4.0	updating data room; meet w/Puntus and Erickson to discuss next steps and process
04/25/2005	Holt, Andrew	1.0	Second-round letters
04/25/2005	Holt, Andrew	1.0	Administrating CA's, OM's
04/25/2005	Lucania, James	0.5	conversations with potential buyers
04/25/2005	Lucania, James	0.5	work on letter to second round bidders
04/25/2005	Lucania, James	4.0	updating data room; meet w/Puntus and Erickson to discuss next steps and process
04/25/2005	Puntus, Marc	4.0	updating data room; meet w/Puntus and Erickson to discuss next steps and process
04/26/2005	Erickson, Stuart	2.0	Calls with potential bidders re: process.
04/26/2005	Holt, Andrew	1.0	Administrate CA's, OM's
04/26/2005	Holt, Andrew	2.0	Management Presentation edits
04/26/2005	Lucania, James	1.0	Updating data room
04/26/2005	Lucania, James	1.0	conversations with second round participants
04/27/2005	Erickson, Stuart	1.0	Call with Scherer re: PBT process.
04/27/2005	Erickson, Stuart	2.0	Review of management presentations.
04/27/2005	Holt, Andrew	1.0	Sale timeline edits
04/27/2005	Holt, Andrew	1.0	Bid summary update/edits
04/27/2005	Holt, Andrew	8.0	Management presentation edits
04/27/2005	Holt, Andrew	1.0	Call with Scherer re: PBT process.
04/27/2005	Lucania, James	2.0	Updating data room. Gave access to some second round bidders.
04/27/2005	Lucania, James	1.0	Call with Scherer re: PBT process.
04/28/2005	Erickson, Stuart	2.0	Calls with bidders re sale process.
04/28/2005	Holt, Andrew	3.0	Management presentation edits
04/28/2005	Holt, Andrew	0.5	Administrate CA's, OM's, update Contact Log
04/28/2005	Lucania, James	2.0	Updating data room
04/28/2005	Lucania, James	0.5	conversations with two potential buyers
04/29/2005	Erickson, Stuart	1.0	Management presentation edits
04/29/2005	Holt, Andrew	4.0	Management Presentation Edits
04/29/2005	Holt, Andrew	1.0	Management presentation edits
04/29/2005	Lucania, James	1.5	Review/comments on management presentations
04/29/2005	Lucania, James	1.0	Management presentation edits
05/02/2005	Erickson, Stuart	1.0	Internal discussion re: PBT process
05/02/2005	Erickson, Stuart	2.0	Review of management presentations.
05/02/2005	Erickson, Stuart	2.0	Calls with potential bidders.
05/02/2005	Holt, Andrew	1.0	Management presentation scheduling

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
05/02/2005	Holt, Andrew	1.5	Administrating CA's, OM's, contact log updates
05/02/2005	Lucania, James	1.0	Internal discussion re: PBT process
05/02/2005	Lucania, James	1.0	Update data room
05/02/2005	Lucania, James	1.0	Management presentation scheduling
05/03/2005	Erickson, Stuart	1.0	Calls with Akin re: asset purchase agreement and bidding procedures.
05/03/2005	Erickson, Stuart	1.0	Calls with potential bidders.
05/03/2005	Erickson, Stuart	2.0	Review of management presentations
05/03/2005	Holt, Andrew	8.0	Management presentation edits
05/03/2005	Holt, Andrew	0.5	Administrating CA's, OM's, update contact log
05/03/2005	Holt, Andrew	2.0	Review of management presentations
05/03/2005	Lucania, James	2.0	Arrange site tours with bidders
05/03/2005	Lucania, James	2.0	Review of management presentations
05/04/2005	Erickson, Stuart	2.0	Travel to Portland, ME for court hearing.
05/04/2005	Erickson, Stuart	2.0	Travel from Portland, ME to NYC.
05/04/2005	Erickson, Stuart	3.0	Preparation for and attendance at court hearing.
05/04/2005	Erickson, Stuart	1.0	Calls with potential bidders.
05/04/2005	Lucania, James	6.0	Update PBT management presentations
05/04/2005	Lucania, James	1.5	schedule diligence meetings for week of May 9
05/05/2005	Erickson, Stuart	1.0	Conference call re: asset purchase agreement.
05/05/2005	Erickson, Stuart	3.5	Conference calls regarding management presentation.
05/05/2005	Erickson, Stuart	1.0	Calls with potential bidders.
05/05/2005	Holt, Andrew	3.5	Conference calls regarding management presentation.
05/05/2005	Holt, Andrew	5.0	Management presentation edits
05/05/2005	Holt, Andrew	0.5	Administrating CA's, update contact log
05/05/2005	Lucania, James	2.0	work on management presentations
05/05/2005	Lucania, James	0.5	conversations with potential buyers
05/05/2005	Lucania, James	3.5	Conference calls regarding management presentation.
	Total	738.0	

6. Travel to, from and on behalf of the Debtors (TOTAL HOURS = 58.0)

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
06/04/2004	Puntus, Marc	5.0	Travel to Portland, ME
06/07/2004	Puntus, Marc	5.0	Travel to and from Portland, ME
06/21/2004	Puntus, Marc	5.0	Travel to and from Chicago
07/14/2004	Haggard, Kevin	3.0	Travel to and from Pegasus HQ in Philadelphia
07/14/2004	Lucania, James	3.0	Travel to and from Pegasus HQ in Philadelphia
07/14/2004	Sprung, Lloyd	3.0	Travel to and from Pegasus HQ in Philadelphia
08/02/2004	Agrawal, Shantanu	3.0	Travel to and from Company in Philadelphia
08/02/2004	Erickson, Stuart	3.0	Travel to and from Company in Philadelphia
08/02/2004	Lucania, James	3.0	Travel to and from Company in Philadelphia
08/23/2004	Puntus, Marc	3.0	Travel to Portland, ME
08/24/2004	Sprung, Lloyd	3.0	Travel to Portland, Maine for bankruptcy hearing.
08/26/2004	Puntus, Marc	3.0	Travel back from Portland Maine.
08/26/2004	Sprung, Lloyd	3.0	Travel back from Portland Maine.
03/28/2005	Erickson, Stuart	3.0	Travel to and from Pegasus office in Philadelphia
03/28/2005	Holt, Andrew	3.0	Travel to and from Pegasus office in Philadelphia

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
03/28/2005	Lucania, James	3.0	Travel to and from Pegasus office in Philadelphia
04/14/2005	Puntus, Marc	4.0	Travel to Maine and prep for confirmation hearing
	Total	58.0	

7. Creditor Contacts (TOTAL HOURS = 196.0)

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
06/03/2004	Puntus, Marc	7.0	Various tcs with bondholders, potential counsel, secured lenders and secured lenders' financial advisors and counsel, including internal tcs
06/03/2004	Sprung, Lloyd	1.0	Calls with Company and bondholders
06/04/2004	Sprung, Lloyd	2.0	Review and internal discussion of analysis of DTV offers
06/05/2004	Sprung, Lloyd	1.0	Internal calls to discuss analysis and next step
06/05/2004	Sprung, Lloyd	2.0	Call with Management on strategy with prospective buyers
06/06/2004	Sprung, Lloyd	0.5	Calls with internal team to discuss analysis and next steps
06/06/2004	Sprung, Lloyd	1.5	Calls with Management on strategy with prospective buyers
06/08/2004	Puntus, Marc	3.0	Various bondholder tcs
06/08/2004	Sprung, Lloyd	1.0	Calls with bond holders and banks
06/09/2004	Sprung, Lloyd	1.0	Calls with bond holders
06/11/2004	Puntus, Marc	1.0	TC with Skip Victor at Chanin
06/11/2004	Sprung, Lloyd	0.5	Calls with banks' financial advisors and internal calls to review status of diligence.
06/15/2004	Puntus, Marc	1.5	Breakfast with committee member to discuss case strategy
06/15/2004	Ying, David	1.5	Breakfast with committee member to discuss case strategy
06/18/2004	Haggard, Kevin	1.0	TC with Chanin re: cash collateral order
06/18/2004	Lucania, James	1.0	TC with Chanin re: cash collateral order
06/18/2004	Shah, Roopesh	1.0	TC with Chanin re: cash collateral order
06/18/2004	Sprung, Lloyd	1.0	TC with Chanin re: cash collateral order
06/22/2004	Haggard, Kevin	1.5	Discussion with UCC advisors re: cash forecast
06/23/2004	Haggard, Kevin	1.0	TC with UCC advisors and Co re: cash forecast
06/23/2004	Shah, Roopesh	1.0	TC with UCC advisors and Co re: cash forecast
06/24/2004	Sprung, Lloyd	0.5	Calls with bondholders regarding case update.
06/25/2004	Sprung, Lloyd	0.5	Calls with committee members regarding nrtc relationship, case update
06/28/2004	Haggard, Kevin	1.5	UCC: prepare for call; call with UCC re: KERP, PCMC
06/28/2004	Lucania, James	2.0	Prepare UCC presentation
06/28/2004	Lucania, James	1.5	UCC: prepare for call; call with UCC re: KERP, PCMC
06/28/2004	Puntus, Marc	1.5	Company and counsel calls re: strategy and timing
06/28/2004	Shah, Roopesh	1.5	UCC: prepare for call; call with UCC re: KERP, PCMC
06/28/2004	Sprung, Lloyd	1.5	UCC: prepare for call; call with UCC re: KERP, PCMC
06/29/2004	Agrawal, Shantanu	1.5	Prepare KERP summary for ucc presentation
06/29/2004	Haggard, Kevin	1.5	Prepare KERP summary for ucc presentation
07/01/2004	Agrawal, Shantanu	1.0	UCC meeting: pre and post meeting discussion
07/01/2004	Agrawal, Shantanu	2.5	UCC meeting re: fin update, status of case
07/01/2004	Haggard, Kevin	2.5	UCC meeting re: fin update, status of case
07/01/2004	Haggard, Kevin	1.0	UCC meeting: pre and post meeting discussion
07/01/2004	Hartman, Molly	1.0	UCC meeting: pre and post meeting discussion
07/01/2004	Hartman, Molly	2.5	UCC meeting re: fin update, status of case
07/01/2004	Lucania, James	2.5	UCC meeting re: fin update, status of case
07/01/2004	Lucania, James	1.0	UCC meeting: pre and post meeting discussion
07/01/2004	Puntus, Marc	2.5	UCC meeting re: fin update, status of case

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
07/01/2004	Puntus, Marc	1.0	UCC meeting: pre and post meeting discussion
07/01/2004	Puntus, Marc	2.0	Meet w/Ying, Pagon, Lodge, Singer and Lampe
07/01/2004	Shah, Roopesh	2.5	UCC meeting re: fin update, status of case
07/01/2004	Shah, Roopesh	1.0	UCC meeting: pre and post meeting discussion
07/01/2004	Sprung, Lloyd	1.0	UCC meeting: pre and post meeting discussion
07/01/2004	Sprung, Lloyd	2.5	UCC meeting re: fin update, status of case
07/01/2004	Sprung, Lloyd	3.0	Meeting with UCC at Sidley & Austin
07/01/2004	Ying, David	2.5	UCC meeting re: fin update, status of case
07/01/2004	Ying, David	1.0	UCC meeting: pre and post meeting discussion
07/01/2004	Ying, David	2.0	Meet w/Ying, Pagon, Lodge, Singer and Lampe
07/02/2004	Haggard, Kevin	1.0	TCs with J. Pooler; TCs with Greenhill re: PCMC info requested
07/05/2004	Haggard, Kevin	1.0	TC with UCC re: diligence on PCMC services agreement; preparation time re: same.
07/05/2004	Puntus, Marc	1.0	Various tcs re: committee meeting attendees and timing
07/06/2004	Agrawal, Shantanu	0.5	Conference call with UCC advisors re: Shared Services Agreement
07/06/2004	Haggard, Kevin	0.5	Conference call with UCC advisors re: Shared Services Agreement
07/06/2004	Lucania, James	0.5	Conference call with UCC advisors re: Shared Services Agreement
07/06/2004	Puntus, Marc	7.0	Committee Meeting and premeetings and aftermeetings and related calls
07/06/2004	Sprung, Lloyd	1.0	Call with UCC financial and legal advisors on PCML support and shared services
07/06/2004	Sprung, Lloyd	0.5	Conference call with UCC advisors re: Shared Services Agreement
07/06/2004	Sprung, Lloyd	7.0	Committee Meeting and premeetings and aftermeetings and related calls
07/07/2004	Haggard, Kevin	1.5	Coordinate creditor diligence trip with Co, Chanin, Greenhill, CTA
07/07/2004	Haggard, Kevin	0.5	Communications with UCC re: PCMC agreement
07/07/2004	Haggard, Kevin	1.0	TC with Chanin re: KERP; followups with Sidley
07/08/2004	Haggard, Kevin	1.0	Info requests from Chanin: DBS P&L model
07/09/2004	Haggard, Kevin	2.0	Review creditors diligence lists; combine and provide to Pooler
07/12/2004	Haggard, Kevin	2.0	TCs with Greenhill, Chanin, Pooler re: diligence meeting; prep. agenda; review list:
07/12/2004	Haggard, Kevin	1.0	Diligence Meeting - update agenda
07/13/2004	Haggard, Kevin	0.5	Discussion re: updates to recovery analysis.
07/13/2004	Puntus, Marc	0.5	Discussion re: updates to recovery analysis.
07/13/2004	Sprung, Lloyd	0.5	Discussion re: updates to recovery analysis.
07/14/2004	Haggard, Kevin	9.0	Meeting with Greenhill, CTA and Chanin at Company HQ
07/14/2004	Lucania, James	9.0	Meeting with Greenhill, CTA and Chanin at Company HQ
07/14/2004	Sprung, Lloyd	9.0	Meeting with Greenhill, CTA and Chanin at Company HQ
07/16/2004	Haggard, Kevin	0.5	TC with Chanin re: KERP motion; ensure have all add'l info needed
07/22/2004	Haggard, Kevin	1.0	Call with UCC f.a.'s re: recovery analysis; including prep time.
07/22/2004	Sprung, Lloyd	1.0	Conference call with Greenhill regarding recovery analysis.
07/22/2004	Sprung, Lloyd	1.0	Call with UCC f.a.'s re: recovery analysis; including prep time.
07/23/2004	Lucania, James	1.0	Call with Committee re: KERP
07/23/2004	Puntus, Marc	1.0	Call with Committee re: KERP
07/23/2004	Sprung, Lloyd	1.0	Call with Committee re: KERP
07/30/2004	Lucania, James	1.0	TC with Banks' FA re: KERP
08/02/2004	Sprung, Lloyd	1.0	Calls with bondholders.
08/03/2004	Haggard, Kevin	1.5	Reconcile DTV/NRTC projected amounts at 9/1; call with Greenhill re: same
08/03/2004	Sprung, Lloyd	1.0	Calls with bondholders.
08/06/2004	Sprung, Lloyd	1.0	Calls with bond holders regarding case status and expected recovery.
08/11/2004	Lucania, James	0.5	Conf Call with CTA to discuss PCMC cash flow

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
08/11/2004	Sprung, Lloyd	0.5	Conf Call with CTA to discuss PCMC cash flow
08/12/2004	Lucania, James	1.0	Update call with CTA and the Company on migration process.
08/12/2004	Sprung, Lloyd	1.0	Update call with CTA and the Company on migration process.
08/24/2004	Lucania, James	1.0	Update conf call with Company, Greenhill and CTA
09/08/2004	Lucania, James	0.5	Update call with Greenhill
09/14/2004	Lucania, James	1.0	Update call with CTA and Greenhill
09/20/2004	Lucania, James	0.5	conversations with various bondholders re: bank payout motion
09/23/2004	Lucania, James	1.0	Calls with bondholders
09/24/2004	Agrawal, Shantanu	0.5	Update call with Greenhill
09/24/2004	Erickson, Stuart	0.5	Update call with Greenhill
09/24/2004	Lucania, James	0.5	Update call with Greenhill
09/24/2004	Lucania, James	0.5	Update call with CTA
10/04/2004	Erickson, Stuart	1.0	Call with Greenhill re: PBT sale process
10/04/2004	Lucania, James	0.5	calls with bondholders
10/04/2004	Lucania, James	0.5	Calls with Greenhill and CTA to discuss PBT OM
10/04/2004	Lucania, James	1.0	Call with Greenhill re: PBT sale process
10/04/2004	Puntus, Marc	1.0	Call with Greenhill re: PBT sale process
10/12/2004	Lucania, James	0.5	Update Call with Eduardo Sanchez from CTA
10/14/2004	Lucania, James	1.0	TC with Greenhill and CTA re: update on PBT OM
10/15/2004	Lucania, James	0.5	TC with BofA, bondholder
10/21/2004	Lucania, James	0.5	Call with Greenhill on PBT OM
10/22/2004	Lucania, James	1.0	Update call with CTA and Pooler
11/05/2004	Lucania, James	0.5	TC with CTA and Greenhill
11/12/2004	Agrawal, Shantanu	1.0	Update call for CTA
11/12/2004	Lucania, James	1.0	Update call for CTA
11/29/2004	Lucania, James	0.5	Correspondence with committee
11/30/2004	Lucania, James	2.0	Calls, research, correspond. with Ortega from Greenhill
12/01/2004	Lucania, James	1.0	TC with Ortega at Greenhill
12/02/2004	Lucania, James	1.0	TC with Ortega from Greenhill
12/03/2004	Lucania, James	1.0	TC with Ortega from Greenhill re: broadcast valuation
12/06/2004	Lucania, James	0.5	TC with Ortega from Greenhill
01/06/2005	Agrawal, Shantanu	1.0	conf call with company and creditors re: recovery analysis
01/06/2005	Lucania, James	1.0	conf call with company and creditors re: recovery analysis
01/06/2005	Lucania, James	0.5	TC with Ortega and Sanchez about recovery analysis
01/06/2005	Puntus, Marc	1.0	conf call with company and creditors re: recovery analysis
01/07/2005	Lucania, James	2.0	Various calls with creditor advisors re plan and disclosure statement
01/11/2005	Lucania, James	0.5	TC with bondholders
01/13/2005	Lucania, James	0.5	TC with Ortega from Greenhill
01/14/2005	Lucania, James	0.5	TC with Ortega from Greenhill
01/20/2005	Lucania, James	0.5	Conf call with creditors re tax estimate
01/25/2005	Lucania, James	2.0	TC with Greenhill re recovery analysis; meet to discuss
01/25/2005	Puntus, Marc	2.0	TC with Greenhill re recovery analysis; meet to discuss
02/01/2005	Lucania, James	1.0	TC with several bondholders re: questions on D.S.
02/02/2005	Lucania, James	1.0	TC with Ortega re: bondholder questions on D.S.
02/03/2005	Lucania, James	1.0	Conversations with bondholders re: Disclosure Statement
02/07/2005	Lucania, James	1.0	Discussions with bondholders

<u>Date</u>	<u>Name</u>	<u>Hours</u>	<u>Description</u>
03/01/2005	Erickson, Stuart	0.5	Conf call with Greenhill re sale process
03/01/2005	Lucania, James	0.5	Conf call with Greenhill re sale process
03/01/2005	Puntus, Marc	0.5	Conf call with Greenhill re sale process
03/02/2005	Lucania, James	0.5	Discussion with bondholder
03/03/2005	Lucania, James	0.5	Answer questions re January MOR
03/07/2005	Lucania, James	0.5	call with bondholder re PBT
04/14/2005	Lucania, James	0.5	Update call with Eduardo Sanchez
04/15/2005	Lucania, James	0.5	Discussion with 2 bondholders re sale process and confirmation hearing
04/19/2005	Lucania, James	1.5	conversations with several bondholders re plan and sale process
	Total	<u>196.0</u>	
Total		<u><u>2,241.0</u></u>	