

Hearing
Date: 7/21/05
Time: 10:30 a.m.
Mode: Live
Place: Portland
Objection Date: 7/11/05

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE**

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

**THIRD AND FINAL APPLICATION OF AKIN GUMP STRAUSS
HAUER & FELD LLP, CO-COUNSEL TO THE OFFICIAL
COMMITTEE OF UNSECURED CREDITORS, FOR ALLOWANCE
OF COMPENSATION AND REIMBURSEMENT OF EXPENSES**

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

Akin Gump Strauss Hauer & Feld LLP (“Akin Gump” or “Applicant”), co-counsel to the Official Committee of Unsecured Creditors (the “Committee”) of Pegasus Satellite Television, Inc., et al.¹ (collectively, the “Debtors”), hereby submits this third and final application (the “Application”) seeking allowance of attorneys fees and reimbursement of expenses pursuant to sections 105, 330(a), 503(b)(2) and 503(b)(4) of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and D.Me.LBR 2016-1. Akin Gump submits this application for (a) allowance, on a final basis, of reasonable compensation for professional

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.; and WTLH License Corp.

services rendered by Akin Gump to the Committee from the Petition Date (defined below) through and including the Effective Date (defined below), and (b) reimbursement, on a final basis, of actual and necessary charges and disbursements incurred by Akin Gump on behalf of the Committee from the Petition Date (defined below) through and including the Effective Date (defined below).

Introduction

1. On June 2, 2004 (the "Petition Date"), each of the Debtors filed with this Court a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors continued in possession of their properties and operated their businesses as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code until May 5, 2005 (the "Effective Date"), when their confirmed First Amended and Restated Joint Chapter 11 Plan (the "Plan") became effective. No trustee or examiner was ever appointed in these cases.

2. On June 10, 2004 (the "Committee Formation Date"), pursuant to section 1102 of the Bankruptcy Code, the United States Trustee for the District of Maine (the "U.S. Trustee") appointed the Committee, which was reconstituted from time to time during the chapter 11 cases. On June 14, 2004, the Committee selected Akin Gump as its lead counsel and Pierce Atwood LLP to serve as co-counsel to the Committee, as well as Greenhill & Co., LLC and Capital Technology Advisors, LLC to serve as financial advisors to the Committee. On June 25, 2004, the Committee filed an Application to Employ Akin Gump as co-counsel to the Committee *Nunc Pro Tunc* to June 2, 2004 (the "Retention Application"). On July 13, 2004, this Court entered an order approving the Retention Application.

3. Pursuant to the Plan, the Committee dissolved on the Effective Date except for the limited purposes of filing, defending, and/or objecting to applications for Professional Compensation (as defined in the Plan) in accordance with the Plan.

4. On June 24, 2004, this Court entered an Order Establishing Procedures for Monthly Compensation and Reimbursement of Expenses for Professionals (the “Administrative Fee Order”).

5. This Application has been prepared in accordance with the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, adopted on January 30, 1996 (the “UST Guidelines”).

6. This Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334 and the Plan. Venue of this proceeding and this Application are proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicates for the relief sought herein are Bankruptcy Code sections 105, 330(a), 503(b)(2), 503(b)(3)(F) and 503(b)(4) and Bankruptcy Rule 2016(a).

The First and Second Interim Fee Applications

7. Two prior fee applications have been filed by Akin Gump and approved by this Court. Pursuant to this Court’s order dated November 26, 2004 [Doc. No. 788], Akin Gump was allowed \$1,350,047.75 in interim compensation and reimbursement of \$57,849.91 in expenses with respect to services rendered and expenses incurring between June 2, 2004 and August 31, 2004 (the “First Interim Period”). Pursuant to this Court’s order dated February 24, 2005 [Doc. No. 1038], Akin Gump was allowed \$788,556.50 in interim compensation and reimbursement of \$57,775.72 in expenses with respect to services rendered and expenses incurred between September 1, 2004 and November 30, 2004 (the “Second Interim Period”).

8. In this application Akin Gump seeks final allowance of the fees and expenses described above and incorporates by reference its prior applications covering the First and Second Interim Periods [Doc. Nos. 650 and 944] and the supporting details included therein.

Third and Final Fee Application

9. Pursuant to the Administrative Fee Order, Akin Gump sent to the Debtors and the appropriate notice parties its: (i) Monthly Fee Statement, dated January 26, 2005, for Compensation and for Reimbursement of Expenses for Services Rendered during the Period of December 1, 2004 through December 31, 2004 in the amounts of \$298,205.75 for fees and \$10,695.50 for expenses (the “December Monthly Fee Statement”) [Doc. No. 928]; (ii) Monthly Fee Statement, dated February 17, 2005, for Compensation and for Reimbursement of Expenses for Services Rendered during the Period January 1, 2005 through January 31, 2005 in the amounts of \$205,436.00 for fees and \$8,676.60 for expenses [Doc. No. 1008] (the “January Monthly Fee Statement”); (iii) Monthly Fee Statement, dated March 24, 2005, for Compensation and for Reimbursement of Expenses for Services Rendered during the Period February 1, 2005 through February 28, 2005 in the amounts of \$343,405.00 for fees and \$16,508.51 for expenses [Doc. No. 1160] (the “February Monthly Fee Statement”); (iv) Monthly Fee Statement, dated April 21, 2005, for Compensation and Reimbursement of Expenses for Services Rendered during the Period March 1, 2005 through March 31, 2005 in the amounts of \$271,950.75 for fees and \$8,222.91 for expenses [Doc. No. 1252] (the “March Monthly Fee Statement”); (v) Monthly Fee Statement, dated May 22, 2005, for Compensation and Reimbursement of Expenses for Services Rendered during the Period April 1, 2005 through April 30, 2005 in the amounts of \$306,230.75 for fees and \$6,573.37 for expenses [Doc. No. 1421] (the “April Monthly Fee Statement”); and (vi) Monthly Fee Statement, dated June 14, 2005, for Compensation and Reimbursement of Expenses for

Services Rendered during the Period May 1, 2005 through May 31, 2005 in the amounts of \$60,524.00 for fees and \$2,423.57 for expenses [Doc. No. 1476] (the “May Monthly Fee Statement”). Pursuant to the Administrative Fee Order, as of the date of this Application, Akin Gump has received payment of 90% of the fees requested and 100% of the expenses requested, respectively, with respect to the December Monthly Fee Statement, the January Monthly Fee Statement, the February Monthly Fee Statement and the March Monthly Fee Statement.

10. Through this Application, Akin Gump seeks, on a final basis, allowance of compensation for the professional services rendered by Akin Gump as counsel to the Committee from December 1, 2004 through and including May 5, 2005 (the “Third Interim Period”) in the amount of \$1,484,252.25, representing 3,171.70 hours of professional services and 75 hours of paraprofessional services, and reimbursement of \$53,100.40 for actual and necessary expenses incurred by Akin Gump in connection with the performance of the services rendered during the Third Interim Period.

11. Through this Application, Akin Gump also seeks, on a final basis, allowance of compensation for the professional services rendered by Akin Gump as counsel to the Committee during the First Interim Period, the Second Interim Period and the Third Interim Period (the “Compensation Period”) in the amount of \$3,622,856.50, representing 7,842.00 hours of professional services and 365.20 hours of law clerk and paraprofessional services, and reimbursement of \$168,726.09 for actual and necessary expenses incurred by Akin Gump in connection with the performance of the services rendered.

Compensation Paid and Its Source

12. Except with respect to Court-approved payments relating to postpetition services rendered on behalf of the Committee, the Applicant has received no payment and no promises for

payment from any source for services rendered on behalf of the Committee in these chapter 11 cases. There is no agreement or understanding between the Applicant and any other person (other than members of Akin Gump) for the sharing of compensation to be received for the services rendered in connection with these chapter 11 cases.

Summary of Services Rendered During the Compensation Period

13. During the Compensation Period, Akin Gump rendered professional services to the Committee as requested and as necessary and appropriate in furtherance of the interests of the Debtors' unsecured creditors. The variety and complexity of the issues in these chapter 11 cases and the need to act or respond to such issues on an expedited basis in furtherance of the Committee's needs required the expenditure of substantial time by Akin Gump personnel from several legal disciplines, on an as-needed basis.

14. Akin Gump maintained written records of the time expended by attorneys and paraprofessionals in the rendition of their professional services to the Committee. Such time records were made contemporaneously with the rendition of services by the person performing such services and in the ordinary course of Akin Gump's practice, and were presented in a form that is in compliance with the Local Bankruptcy Rules for the District of Maine. A compilation showing the name of the attorney or paraprofessional, the date on which the services were performed, a description of the services rendered, and the amount of time spent in performing the services during the Third Interim Period is annexed hereto as Exhibit "A". Also attached hereto as Exhibit "B" is a schedule of the hours expended by attorneys during the Third Interim Period, their normal hourly rates and the value of their services.

15. Akin Gump also maintained records of all actual and necessary out-of-pocket expenses incurred in connection with the rendition of its professional services, all of which are

available for inspection. A schedule of the categories of expenses incurred during the Compensation Period for which reimbursement is requested is annexed hereto as Exhibit "C".

16. Akin Gump respectfully submits that the professional services that it rendered on behalf of the Committee were necessary and appropriate, and directly contributed to the successful administration of these chapter 11 cases.

17. The following brief summary of services rendered during the Compensation Period is not intended to be a detailed description of the work performed, as those day-to-day services and the time expended in performing such services are fully set forth in Exhibit "A". Rather, it is merely an attempt to highlight certain of those areas in which services were rendered to the Committee, as well as to identify some of the problems and issues that Akin Gump was required to address.

- General Case Administration. Attorneys and paraprofessionals of the Applicant spent 304.05 hours, at a cost of \$134,090.25 (a blended rate of \$441.96 per hour), on general case administration. During the Compensation Period, Akin Gump reviewed and analyzed all motions filed by the Debtors and other parties-in-interest in these cases. Akin Gump conducted extensive due diligence on the subject matter of each motion and application to, among other things, ascertain the effect the relief requested in the pleading would have on the Debtors, their businesses, the creditors and the administration of these cases. In addition, Akin Gump coordinated all Committee activities, including, attending to member issues and interacting with Committee members in setting agendas for the Committee. Akin Gump worked to ensure that the Committee had a complete understanding of the effect the granting of the relief requested in a given pleading would have on the Debtors' businesses and reorganization efforts.
- Akin Gump Fee Application/Monthly Billing Reports. Attorneys and paraprofessionals of the Applicant spent 140.80 hours, at a cost of \$38,699.50 (a blended rate of \$274.85 per hour), on preparation of its monthly fee statements and the interim fee applications.
- Analysis of Other Professionals Fee Applications/Reports. Attorneys and paraprofessionals of the Applicant spent 41.20 hours, at a cost of \$12,136.50 (a blended rate of \$294.75 per hour), on review and analysis of fee statements and/or applications of other professionals.
- Review of Debtors' Schedules and SOFAs. Attorneys and paraprofessionals of the Applicant spent 8.40 hours, at a cost of \$3,384.50 (a blended rate of \$402.97), on review of Debtors' schedules and statements of financial affairs.

- Retention of Professionals. Attorneys and paraprofessionals of the Applicant spent 149.10 hours, at a cost of \$59,187.50 (a blended rate of \$396.96), on the preparation of Akin Gump's retention application and retention applications of other Committee's professionals and on reviewing of retention applications filed by the Debtors.
- Creditor Committee Meetings. Attorneys, law clerks and paraprofessionals of the Applicant spent 159.30 hours, at a cost of \$87,330.00 (a blended rate of \$548.21 per hour), in communicating with creditors and attending Committee meetings. Akin Gump held numerous in-person and telephonic meetings with the Committee members, as well as other professionals retained by the Committee. Prior to all calls and meetings, Akin Gump reviewed each pending matter requiring the Committee's attention and all underlying documentation in connection therewith. Thereafter, Akin Gump discussed each of these matters with the full Committee or a subcommittee of the Committee, as applicable, as well as individual Committee members, and assisted the Committee in formulating a position thereon. Through its communications with the Committee, Akin Gump assisted the Committee in fulfilling its statutory duties to make informed decisions regarding various issues which arose in these chapter 11 cases.
- Court Hearings. Attorneys of the Applicant spent 158.20 hours, at a cost of \$80,303.00 (a blended rate of \$507.60 per hour), participating, in-person or telephonically, in all omnibus hearings and all other hearings held in these chapter 11 cases. Akin Gump's attorneys and paraprofessionals also billed time in preparation for the hearings, as well as post-hearing analysis.
- Financial Reports and Analysis. Attorneys of the Applicant spent 0.90 hours, at a cost of \$382.50 (a blended rate of \$425.00), reviewing 10Qs and 8Ks filed by the Debtors.
- DIP, Cash Collateral and Exit Financing. Attorneys and paraprofessionals of the Applicant spent 489.90 hours, at a cost of \$198,234.50 (a blended rate of \$404.64), handling all litigation matters relating to the motions filed by the Debtors' secured lenders requesting payment of default interest, prepayment premiums, and interest thereon.
- Executory Contracts/License Agreements. Attorneys of the Applicant spent 263.30 hours, at a cost of \$87,981.00 (a blended rate of \$334.15 per hour), on review and analysis of the numerous motions filed by the Debtors and other parties-in-interest with respect to the assumption or rejection of executory contracts (the "Executory Contract Motions"). Akin Gump reviewed the applicable motions, analyzed the underlying agreements, summarized applicable portions of underlying agreements and motions, and discussed and made recommendations to the Committee with respect to all Executory Contract Motions. Akin Gump's analysis of the Executory Contract Motions enabled the Committee to make informed decisions in supporting or opposing the relief requested in a given Executory Contract Motion based on, among other things, the effect assumption or rejection of an applicable contract would have on the Debtors' continuing business operations and financial wherewithal.
- Claims Analysis/Claims Objections. Attorneys of the Applicant spent 20.90 hours, at a cost of \$9,565.00 (a blended rate of \$457.66 per hour), on issues regarding the establishment of procedures to file proofs of claim in these cases and the analysis of individual proofs of claim.

- Analysis of Prepetition Transactions. Attorneys and law clerks of the Applicant spent 224.05 hours, at a cost of \$66,598.75 (a blended rate of \$297.25 per hour), on review and analysis of the Debtors' prepetition transactions and operations. Due to the fact that the Debtors had a sophisticated corporate and financial structure, the review and analysis required detailed due diligence and analysis by the Committee in order for the Committee to adequately comprehend the Debtors' corporate, operational and financial structure and to be in a position to appropriately acquit its fiduciary duties to the Debtors' unsecured creditors.
- Analysis of Secured Claims / Adequate Protection Issues. Attorneys and paraprofessionals of the Applicant spent 608.40 hours, at a cost of \$276,725.50 (a blended rate of \$454.84 per hour), handling all litigation matters relating to the motions filed by the Debtors' secured lenders requesting payment of default interest, prepayment premiums, and interest thereon.
- Lift Stay Litigation. Attorneys of the Applicant spent 2.70 hours, at a cost of \$648.00 (a blended rate of \$240.00 per hour), on review and analysis of automatic stay issues.
- General Adversary Proceedings/Litigation Matters. Attorneys of the Applicant spent 500.90 hours, at a cost of \$219,026.00 (a blended rate of \$437.26 per hour), on various litigation issues related to the global settlement entered into by all parties-in-interest in these cases, as approved by this Court by order dated August 6, 2004.
- Tax Issues. Attorneys and paraprofessionals of the Applicant spent 1,250.30 hours, at a cost of \$554,653.00 (a blended rate of \$443.62 per hour), on tax issues relating to various plan restructuring alternatives.
- Labor Issues/Employee Issues. Attorneys of the Applicant spent 146.20 hours, at a cost of \$68,360.00 (a blended rate of \$467.79 per hour), on labor and employee issues. During the Compensation Period, Akin Gump spent considerable time reviewing the Debtors' motions to establish several key employee retention and severance plans (the "KERP Plans"), preparing counterproposals to the various KERP Plans, and reviewing all other pleadings related thereto.
- Real Estate Issues/Leases. Attorneys of the Applicant spent 19.80 hours, at a cost of \$7,068.50 (a blended rate of \$356.99 per hour), on review and analysis of real estate issues.
- Exclusivity. Attorneys of the Applicant spent 32.40 hours, at a cost of \$13,854.00 (a blended rate of \$427.59 per hour), on issues related to the extension of the Debtors' exclusive periods.
- Plan and Disclosure Statement. Attorneys and paraprofessionals of the Applicant spent 530.05 hours, at a cost of \$251,458.50 (a blended rate of \$474.45 per hour), on reviewing, commenting on and negotiating the Debtors' plan of reorganization and related disclosure statement.
- Asset/Stock Transactions. Attorneys and paraprofessionals of the Applicant spent 2,434.70 hours, at a cost of \$1,151,983.50 (a blended rate of \$473.15 per hour), (i) negotiating, drafting and implementing all of the documents related to the Global Settlement and the sale of

substantially all of the Debtors' satellite assets to DirecTV; and (ii) negotiating, drafting all of the documents related to, and generally pursuing the sale of the Debtors' broadcast assets. In diligently representing the Committee, Akin Gump reviewed and negotiated every document pertaining to sales of the Debtors' assets and continuously communicated with the Committee with respect to such negotiations.

- Travel Time. Attorneys of the Applicant spent 86.10 hours, at a cost of \$44,767.50 (a blended rate of \$519.95 per hour), on travel. All of Akin Gump's billed travel time was reduced by 50%.
- FCC Matters. Attorneys and paraprofessionals of the Applicant spent 327.30 hours, at a cost of \$117,028.50 (a blended rate of \$357.67 per hour), on regulatory matters related, among other things, to the sale of the Debtors' broadcast assets.
- DirecTV Litigation. Attorneys and paraprofessionals of the Applicant spent 308.40 hours, at a cost of \$139,390.50 (a blended rate of \$451.98 per hour), on issues arising out of the DirecTV litigation.

Factors To Be Considered In Awarding Attorneys' Fees

18. The factors to be considered in awarding attorneys fees have been enumerated in In re First Colonial Corporation of America, 544 F.2d 1291, 1298-99 (5th Cir.), reh'g denied, 547 F.2d 573, cert. denied, 431 U.S. 904 (1977) and have been adopted by most courts. Akin Gump respectfully submits that a consideration of these factors should result in this Court's allowance of the full compensation sought.

(A) The Time and Labor Required. The professional services rendered by Akin Gump on behalf of the Committee required the continuous expenditure of substantial time and effort, under significant time pressures. The services rendered required a high degree of professional competence and expertise in order to be administered with skill and dispatch.

(B) The Novelty and Difficulty of Questions. In this case, as in all others in which the firm is involved, Akin Gump's effective advocacy and creative approach have helped clarify and resolve a number of complex and novel issues.

(C) The Skill Requisite to Perform the Legal Services Properly. Akin Gump believes that its expertise in the area of corporate reorganization, its ability to draw from highly experienced professionals in other areas of Akin Gump's practice and its creative approach to the resolution of issues contributed to the maximization of distributions to the Debtors' unsecured creditors.

(D) The Preclusion of Other Employment by Applicant Due to Acceptance of the Case. Due to the size of Akin Gump's insolvency department, Akin Gump's representation of the Committee did not preclude its acceptance of new clients.

(E) The Customary Fee. The fees sought herein are based upon Akin Gump's normal hourly rates for services of this kind. Akin Gump respectfully submits that the fees sought herein are not unusual given the magnitude and complexity of these chapter 11 cases and the time expended in attending to the representation of the Committee and is commensurate with fees Akin Gump has been awarded in other cases, as well as with fees charged by other attorneys of comparable experience.

(F) Whether the Fee is Fixed or Contingent. Pursuant to sections 330 and 331 of the Bankruptcy Code, all fees sought by professionals employed under section 1103 of the Bankruptcy Code are contingent pending final approval by this Court and are subject to adjustment dependent upon the services rendered and the results obtained. However, the collective efforts of the various parties in interest and their respective professionals, including Akin Gump, resulted in the consensual resolution of many significant issues in these cases in a relatively short period of time given the complexity of the Debtors' chapter 11 cases.

(G) Time Limitations Imposed by Client or Other Circumstances. As already indicated, Akin Gump was required to attend to certain issues arising in these chapter 11 cases in compressed and urgent time periods.

(H) The Amount Involved and Results Obtained. Through the efforts of Akin Gump, the Committee was an active participant in these chapter 11 cases and its constructive assistance, as well as criticism, greatly contributed to enhancement of the recoveries available to the Debtors' unsecured creditors and to the efficient administration of these chapter 11 cases.

(I) The Experience, Reputation and Ability of the Attorneys. Akin Gump has a large and sophisticated financial restructuring practice and is playing and has played a major role in numerous cases of national import including, for example, the reorganization proceedings of American Commercial Lines LLC, Exide Technologies, Globalstar, L.P., Heilig Meyers, Horizon PCS, Inc., Kaiser Aluminum Corporation, Loral Space & Communications, Inc., LTV Steel Company, Inc., Magellan Health Services, Inc., Polaroid Corporation, Venture Holdings LLC and WorldCom, Inc. Akin Gump's experience enables it to perform the services described herein competently and expeditiously. In addition to its expertise in the area of corporate reorganization, Akin Gump has called upon the expertise of its partners and associates in other practice areas to perform the wide ranging scope of the legal work necessitated by these chapter 11 cases, including corporate and litigation.

(J) The "Undesirability" of the Case. These cases were not undesirable.

(K) Nature and Length of Professional Relationship. Akin Gump was selected as counsel to the Committee on June 14, 2004. The Court entered an order on July 13, 2004 authorizing the Committee to employ Akin Gump, nunc pro tunc to June 2, 2004. Akin Gump has been rendering services continuously to the Committee from June 2, 2004 through the Effective Date as necessary and appropriate.

19. The professional services rendered by Akin Gump during the Compensation Period required a high degree of professional competence and expertise so that the numerous issues requiring evaluation and determination by the Committee could be addressed with skill and dispatch and have, therefore, required the expenditure of substantial time and effort. It is respectfully submitted that the services rendered to the Committee during the Compensation Period were performed efficiently, effectively and economically, and the results obtained to date have benefited not only the members of the Committee, but also the unsecured creditor body as a whole and the Debtors' estates.

20. As set forth in Exhibit "A", during the Compensation Period, the total time spent by Akin Gump attorneys and paraprofessionals was 1,014.65 hours. As illustrated in Exhibit "A", the work involved and, thus, the time expended, was carefully assigned in light of the experience and expertise required for a particular task. As shown by this Application and supporting documents, Akin Gump spent its time economically and without unnecessary duplication.

21. As set forth on Exhibit "C", Akin Gump incurred actual out-of-pocket expenses in connection with the rendition of the professional services to the Committee in the amount of \$168,726.09 during the Compensation Period, for which Akin Gump respectfully requests

reimbursement in full. The disbursements and expenses were been incurred in accordance with Akin Gump's normal practice of charging clients for reasonable expenses related to and required by particular matters. Akin Gump's billing rates do not include charges for photocopying, telephone and facsimile charges, computerized research, travel expenses, "working meals," secretarial overtime, postage and certain other office services, because the needs of each client for such services differ. Akin Gump believes that it is fairest to charge each client only for the services actually used in performing services for it. In these proceedings, Akin Gump charged \$.15 per page for internal duplicating and \$.25 per page for outgoing facsimile transmissions. Akin Gump did not charge for incoming facsimile transmissions.

22. With respect to computer-accessed legal research ("CALR"), consistent with the Court's guidelines for the reimbursement of expenses for such research, it is Akin Gump's policy to bill a client only for reasonable and necessary charges, at the same rate that Akin Gump bills its non-bankruptcy clients for such CALR, which is the rate invoiced to Akin Gump by each CALR vendor.

Compliance with Rule 2016 of the Federal Rules of Bankruptcy Procedure

23. In accordance with Bankruptcy Rule 2016, Akin Gump hereby states that (i) all services during the Compensation Period for which compensation is sought herein were rendered to the Committee solely in connection with the Debtors' chapter 11 cases, (ii) Akin Gump has received only those payments allowed under the Administrative Fee Order, (iii) no agreement or understanding exists between Akin Gump and any other person for the sharing of compensation to be received for services rendered in or in connection with these cases, and (iv) no division of compensation will be made by Akin Gump except as between members of Akin Gump and no agreement prohibited by 18 U.S.C. § 155 or section 504 of the Bankruptcy Code has been made.

24. Except for the interim fee application and monthly fee statements, no prior application has been made in this Court or in any other court for the relief requested herein for the Compensation Period.

Conclusion

WHEREFORE, Akin Gump respectfully requests that this Court enter an order, substantially in the form attached hereto:

(a) approving and awarding, on a final basis, \$3,622,856.50 in compensation for professional services rendered, and \$168,726.09 for reimbursement of expenses incurred from June 2, 2004 through and including May 5, 2005;

(b) authorizing and directing Liquidating Trustee, on behalf of the Debtors, to pay Akin Gump within ten (10) days of entry of this Order all amounts allowed by the Court less amounts previously paid to Akin Gump; and

(c) granting such other and further relief as this Court may deem just and proper.

Dated: New York, New York
June 20, 2005

AKIN GUMP STRAUSS HAUER & FELD LLP

By: /s/ David H. Botter

David H. Botter

A Member of the Firm

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Counsel for the Official Committee of Unsecured
Creditors of Pegasus Satellite Television, Inc. et al.

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