

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE
DISTRICT OF MAINE

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

SECOND DECLARATION OF GARY W. BROSNAHAN

I, GARY W. BROSNAHAN, declare:

1. I am Vice President for Information Technology and Information Systems for Pegasus Communications Corporation. I have worked for Pegasus for the past five years. I have firsthand knowledge of the facts stated in this declaration and, if called upon to do so, can and will testify competently as to these facts.

2. I make this Second Declaration in further support of the Motion of the Debtors and Debtors in Possession for the Entry of an Order Holding DIRECTV, Inc. in Contempt. On June 14, 2004, I executed my first Declaration in support of that motion. The events described in this Second Declaration have come to my attention since then.

3. As part of my duties and responsibilities at Pegasus, I have access to, and can query, the Pegasus "SQL" database tables. The SQL database tables represent a "mirror image" of the subscriber data that is in the Billing & Authorization System ("BAS") that is controlled by DIRECTV. The SQL tables are created and updated using daily data feeds provided to Pegasus by NRTC and DIRECTV.

4. When a new subscriber initiates the process of setting up a new account, but before the account is actually opened, subscriber information – name, address, city, state, zip code, telephone number and other information taken from the potential customer in order to set up the new account – is entered into the BAS, and an account number is assigned. The account status of this new account is referred to as “pending” (short for pending sale). That information as to Pegasus territory subscribers is supposed to reside, and has always resided, on the Pegasus side of the BAS “firewall.” This firewall is described in the Declaration of Robert Pacek in Support of DIRECTV’s Opposition to Pegasus’ “Emergency Motion for Relief” as follows:

Before June 1, 2004, DIRECTV used a firewall to separate the billing system between Pegasus’ subscribers and DIRECTV’s subscribers. This firewall did not allow DIRECTV’s customer service representatives to input or change information regarding Pegasus’ subscribers.

Pacek Declaration, ¶ 10 (Emphasis added).

5. Although Mr. Pacek contends that DIRECTV has not changed the firewall system since June 1, 2004, information that has come to my attention in the past 24 hours makes clear that Customer Service Representatives (“CSRs”) who do not work for Pegasus, and who have not been given access/authorization by Pegasus, are accessing and making changes to – in fact, deleting – subscriber information resident on the Pegasus side of the firewall.

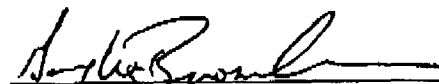
6. I first became concerned that DIRECTV was altering Pegasus subscriber information in “pending” accounts when I was informed that a “pending” account created by one of our sales representatives in Lenexa, Kansas, had been deleted from the system without her knowledge. While information regarding this account was no longer available in the BAS, I reviewed data in our SQL tables which reflected that the status of this account had been changed to “void”.

7. Whenever a user of the BAS commits (or processes) a change to the system, the user's Login ID is recorded in the system for audit purposes. The action of changing an account's status from "pending" to "void" would cause the system to record the Login ID of the individual committing the change in status.

8. I queried the SQL database tables for any accounts in which the account status had been changed from "pending" to "void" and in which the Login ID for the individual who made that change was a Login ID that is not issued to a Pegasus employee. I found multiple examples of this occurring since June 2, 2004. One of the Login IDs that had performed a large number of the void transactions appeared to be an automated function identified as "OMS." My understanding is that "OMS" stands for Order Management System, which is a DIRECTV automated processing system. There were a variety of other non-Pegasus Login IDs attached to other of the void transactions. From my experience, I recognized certain of these IDs to be DIRECTV CSR IDs.

9. I have not been able to determine why these pending accounts are being voided, or whether they are re-entered as DIRECTV accounts. It is obvious, however, that DIRECT CSRs are breaching the firewall and altering and deleting Pegasus subscriber information on our side of the firewall.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct. Executed this 15th day of June, 2004, at Marlborough, Massachusetts.


Gary W. Brosnahan