

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
KPMG LLP AS TAXATION PLANNING ADVISORS
PURSUANT TO 11 U.S.C. §§ 327(a) AND 328(a) AS OF SEPTEMBER 29, 2004**

Upon the application (the "Application") of Pegasus Satellite Television, Inc., and certain of its subsidiaries and affiliates, each a debtor and debtor in possession (collectively, the "Debtors"),¹ for an order pursuant to 11 U.S.C. §§ 327(a) and 328(a) authorizing the retention and employment of KPMG LLP ("KPMG") as taxation planning advisor as of September 29, 2004; the date of the filing of the Application; and upon the Affidavit of Frank J. Angeleri, Partner with KPMG, in support of the Application; and due and adequate notice of this Application has been given to all parties on the All Notices List as required by (and defined in) the Order Establishing Case Management Procedures and Hearing Schedule dated July 9, 2004; and it appearing that no further notice is required; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that this is a core proceeding pursuant to 28 U.S.C. § 157; and this Court having held a hearing on October 14,

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.

2004 at 10:30 a.m. to consider the Application; and all parties in interest having had an opportunity to be heard with respect to the Application at that time; and it appearing that KPMG is a disinterested person under section 101(14) of the Bankruptcy Code², and that the employment of KPMG is necessary and in the best interests of the Debtors and their estates, creditors and interest holders; it is hereby

ORDERED, that the Application be, and it hereby is, granted; and it is further

ORDERED, that any responses or objections that are not otherwise withdrawn, waived, settled or resolved, are overruled on the merits with prejudice; and it is further

ORDERED, that in accordance with Section 327(a) and 328(a) of the Bankruptcy Code, the Debtors are authorized to retain, employ, compensate, and reimburse KPMG on the terms set forth in the Application, the Engagement Letter, and this Order; and it is further

ORDERED, that KPMG shall be compensated in accordance with the procedures set forth in sections 330 and 331 of the Bankruptcy Code and such Bankruptcy Rules as may be applicable, from time to time, and such procedures as may be fixed by order of this Court; and it is further

ORDERED, that this Court shall retain jurisdiction with respect to all matters arising or related to the implementation of this Order.

Dated: October 12, 2004

/s/ James B. Haines, Jr.

UNITED STATES BANKRUPTCY JUDGE

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

CERTIFICATE OF SERVICEDistrict/off: 0100-2
Case: 04-20878User: rrowell
Form ID: pdf901Page 1 of 4
Total Served: 98

Date Rcvd: Oct 12, 2004

The following entities were served by first class mail on Oct 14, 2004.

db Pegasus Satellite Television, Inc., 213 Felton Street, Marlborough, MA 01752
aty +Abid Qureshi, Akin, Gump, Strauss, Hauer & Feld, LLP, 590 Madison Avenue,
New York, NY 10022-8554
aty +Akin Gump Strauss Hauer & Feld LLP, c/o Jacob A. Manheimer, Pierce Atwood, One Monument Square,
Portland, ME 04101-1110
aty +Alan Eric Gamza, Esq., Moses & Singer LLP, 1301 Avenue of the Americas,
New York, NY 10019-6158
aty +Alexander Simon, Weil, Gotshal & Manges, LLP, 767 Fifth Avenue, New York, NY 10153-0119
aty +Andrew N. Rosenberg, Paul, Weiss, Rifkind, Wharton & Garrison, 1285 Avenue of the Americas,
New York, NY 10019-6031
aty +Barbara Ellis-Munro, Smith, Gambrell & Russell, LLP, 1230 Peachtree Street N.E., Suite 3100,
Atlanta, GA 30309-3592
aty Benjamin E. Marcus, Esq., Drummond Woodsum & MacMahon, 245 Commercial Street, P.O. Box 9781,
Portland, ME 04104-5081
aty +Bruce B. Hochman, Esq., Lambert Coffin, 477 Congress St., 14th Floor, P. O. Box 15215,
Portland, ME 04112-5215
aty +C. MacNeil Mitchell, Winston & Strawn, LLP, Attn: Denise Cunsolo, Legal Asst.,
200 Park Avenue, New York, NY 10166-0005
aty Daniel Cummings, Esq., Norman, Hanson & DeTroy, LLC, P.O. Box 4600, Portland, ME 04112-4600
aty +Daniel H. Golden, Akin, Gump, Strauss Hauer & Feld, LLP, 590 Madison Avenue,
New York, NY 10022-8554
aty Daniel M. Glosband, Goodwin Proctor, LLP, Exchange Place, Boston, MA 02109
aty Daniel R. Felkel, Esq., Trough, Heisler & Piampiano, PA, P.O. Box 9711,
Portland, ME 04104-5011
aty +David H. Botter, Akin, Gump Strauss Hauer & Feld, LLP, 590 Madison Avenue,
New York, NY 10022-8554
aty +David J. Gaier, Esq., McCarter & English, LLP, Mellon Bank Center, 1735 Market St., Suite 700,
Philadelphia, PA 19103-7518
aty +Debra SuDock, Kelley Drye & Warren LLP, 101 Park Avenue, New York, NY 10178-0062
aty +Diane Meyers, Paul, Weiss, Rifkind, Wharton & Garrison,, 1285 Avenue of the Americas,
New York, NY 10019-6031
aty +Diane W. Sanders, Linebarger, Goggan, Blair & Sampso, LLP, 1949 South I.H. 35 (78741),
P.O. Box 17428, Austin, TX 78760-7428
aty +Edward J. Schultz, Jenkins & Jenkins Attorneys, PLLC, 800 South Gay Street, Suite 2121,
Knoxville, TN 37929-9711
aty +Edward S. Weisfelner, Brown, Rudnick, Berlack, Israels LLP, 120 West 45th Street,
New York, NY 10036-4041
aty +Ellen Moring, Esq., Sidley Austin Brown & Wood LLP, 787 Seventh Avenue,
New York, NY 10019-6018
aty +Eric D. Statman, Lovells, 900 Third Avenue, New York, NY 10022-4728
aty +Eric K. Bradford, Esq., Office of the U.S. Trustee, 10 Causeway Street, Room 1184,
Boston, MA 02222-1047
aty +F. Bruce Sleeper, Esq., Jensen, Baird, Gardner & Henry, P.O. Box 4510, Portland, ME 04112-4510
aty Fred W. Bopp, III,, Esq., Perkins, Thompson, Hinckley & Keddy, One Canal Plaza, P O Box 426,
Portland, ME 04112-0426
aty +Gayle H. Allen, Esq., Verrill & Dana, One Portland Square, Portland, ME 04101-4054
aty George J. Marcus, Esq., Marcus, Clegg & Mistretta, PA, 100 Middle St., East Tower,
Portland, ME 04101-4102
aty +Gerald Huffaker, Huffaker, Green & Huffaker, P.O. Box 419, Tahoka, TX 79373-0419
aty +Gregg Spath, Property Management Dept., Omnipoint Holdings, Inc., 4 Sylvan Way,
Parsippany, NJ 07054-3801
aty +Guy S. Neal, Esq., Sidney Austin Brown & Wood LLP, 1501 K Street, N.W.,
Washington, DC 20005-1401
aty +Jacob A. Manheimer, Esq., Pierce Atwood, One Monument Square, Portland, ME 04101-1110
aty +Jacob Manheimer, Esq., Pierce Atwood, One Monument Square, Portland, ME 04101-1110
aty +Jay S. Geller, One Monument Way, Suite 200, Portland, ME 04101-4078
aty +Jeffrey L. Jonas, Esq., Brown, Rudnick, Freed & Gesmer, PC, One Financial Center,
Boston, MA 02111-2600
aty Jennifer H. Pincus, Esq., Perkins, Thompson Hinckley & Keddy, PA, P.O. Box 426,
Portland, ME 04112-0426
aty +Joan E. Pilver, Esq., Assistant Attorney General, 55 Elm Street, Fifth Floor,
Hartford, CT 06106-1746
aty +John G. Hutchinson, Sidley, Austin, Brown & Wood, LLP, 787 Seventh Avenue,
New York, NY 10019-6018
aty John L. Graham, King & Spalding
aty John P. Dillman, Linebarger Goggan Blair & Sampson, LLP, P.O. Box 3064,
Houston, TX 77253-3064
aty John P. McNicholas, Piper, Rudnick, LLP, 1251 Avenue of the Americas, New York, NY 10020-1104
aty John P. McVeigh, Esq., Preti, Flaherty, Beliveau & Pachios, LLC, One City Center,
P.O. Box 9546, Portland, ME 04112-9546
aty +John T. Vian, Smith, Gambrell & Russell, LLP, 1230 Peachtree Street N.E., Suite 3100,
Atlanta, GA 30309-3592
aty Kenneth E. Aaron, Weir & Partners LLP, 842 Market Street Mall, Suite 1001,
Wilmington, DE 19801
aty +Kim Y. Jefferson, Esq., Offic of the Attorney General, P.O. Box 20207, 425 5th Avenue North,
Nashville, TN 37247-0001
aty +Larry J. Nyhan, Esq., Sidley Austin Brown & Wood LLP, Bank One Plaza, 10 South Dearborn Street,
Chicago, IL 60603-2300
aty Leonard M. Gulino, Esq., Bernstein, Shur, Sawyer & Nelson, P.O. Box 9729,
Portland, ME 04104-5029
aty Lisa A. Chiapetta, Proskauer Rose LLP, 1585 Broadway, New York, NY 10036-8299
aty +Lori E. Chasen, Paul, Weiss, Rifkind, Wharton & Garrison, 1285 Avenue of the Americas,
New York, NY 10019-6031

aty Macken Toussaint, Goodwin, Proctor LLP, Exchange Place, Boston, MA 02109
aty +Mark E. Mazzei, 2000 Corporative Drive, Canonsburg, PA 15317-8564
aty +Mark Somerstein, Kelley Drye & Warren LLP, 101 Park Avenue, New York, NY 10178-0062
aty +Michael E. Baumann, Kirkland & Ellis LLP, 777 South Figueroa Street,
Los Angeles, CA 90017-5800
aty +Michael L. Tuchin, Klee, Tuchin, Bogdanoff & Stern, LLP, Fox Plaza,
2121 Avenue of the Stars, 33rd Floor, Los Angeles, CA 90067-5061
aty +Michael Reed, McCreary, Veselka, Bragg, & Allen, PC, P.O. Box 26990, Austin, TX 78755-0990
aty +Nava Hazan, Esq., Akin Gump Strauss Hauer & Feld LLP, 590 Madison Avenue,
New York, NY 10022-8554
aty +Peter Michael Reed, McCreary, Veselka, Bragg & Allen PC, 5929 Balcones Dr., Ste.200,
Austin, TX 78731-4280
aty +Philip C. Dublin, Akin, Gump, Strauss, Hauer & Feld, LLP, 590 Madison Avenue,
New York, NY 10022-8554
aty +Pierce Atwood, Pierce Atwood, c/o Jacob A. Manheimer, One Monument Square,
Portland, ME 04101-1110
aty Randy J. Creswell, Perkins Thompson Hinckley & Keddy, P.A., One Canal Plaza, P.O. Box 426,
Portland, ME 04112-0426
aty Regan M. Hornney, Esq., Brann & Isaacson, 184 Main Street, P.O. Box 3070,
Lewiston, ME, ME 04243-3070
aty +Richard F. Hahn, Debevoise & Plimpton LLP, 919 Third Avenue, New York, NY 10022-3916
aty +Richard F. Hahn, Esq., Debevoise & Plimpton, LLP, 919 Third Avenue, New York, NY 10022-3916
aty +Richard J. O'Brien, Esq., Linnell, Choate & Webber, LLP, 83 Pleasant Street, P.O. Box 190,
Auburn, ME 04210-5937
aty +Richard P. Krasnow, Weil, Gotshal & Mages, LLP, 767 Fifth Avenue, New York, NY 10153-0119
aty Robert J. Keach, Esq., Bernstein, Shur, Sawyer & Nelson, 100 Middle Street, 6th Floor,
P.O. Box 9729, Portland, ME 04104-5029
aty +Robert S. Brady, The Brandywine Building, 1000 West Street, 17th Floor, P.O. Box 391,
Wilmington, DE 19899-0391
aty +Rosetta B. Packer, McCarter & English, LLP, Mellon Bank Center, 1735 Market Street, Suite 700,
Philadelphia, PA 19103-7518
aty +Stephen M. Baldini, Akin, Gump, Strauss, Hauer & Feld, LLP, 590 Madison Avenue,
New York, NY 10022-8554
aty Steven A. Ginther, Esq., Missouri Department of Revenue, P.O. Box 475,
Jefferson City, MO 65105-0475
aty +Wayne M. Smith, 4000 Warner Blvd., Bldg. 156, Room 5158, Burbank, CA 91522-0001
ust +Office of U.S. Trustee, 537 Congress Street, Room 302, Portland, ME 04101-3353
cr +Angelo, Gordon & Co., Attn: Leigh Walzer, 245 Park Avenue, 26th Floor,
New York, NY 10167-0094
intp Basil Marceaux, 810 Hyatte Road, Soddy Daisy, TN 37379-4020
cr +CRT Capital Group LLC, Attn: Nadav Braun, 262 Harbor Drive, Stamford, CT 06902-7438
cr +Cohanzick Management, LLC, 427 Bedford Road, Suite 260, Pleasantville, NY 10570-3029
cr +Collin County Tax Assessor/Collector, c/o David B. McCall, Esq., 777 E. 15th Street,
Plano, TX 75074-5711
cr Daily Insights, Attn: Bill Angelowitz, JAF Box 3127, New York, NY 10116
cr Felton Street Associates Limited Partnership, Weir & Partners, Lambert Coffin, P.O. Box 15215,
Portland, ME 04112-5215
cr +Gabriel Capital, L.P., 450 Park Ave., Suite 3201, New York, NY 10022-2633
cr +IKON Financial Services, Bankruptcy Administration, IOS Capital LLC, 1738 Bass Road,
P.O. Box 13708, Macon, GA 31208-3708
cr +IKON Office Solutions, Inc., Recovery and Bankruptcy, 5400 Bowman Road, Macon, GA 31210-8879
cr J.P. Morgan Trust Company, N.A., Attn: James R. Lewis, Esq., VP, 4 New York Plaza, 15th Floor,
New York, NY 10004-2413
cr +Madison Capital Management, Attn: Craig Klein, 6143 South Willow Drive, Suite 200,
Greenwood Village, CO 80111-5123
cr Manatee County Tax Collector, Attn: Ken Burton, Jr., P.O. Box 25300,
Bradenton, FL 34206-5300
cr +Missouri Department of Revenue, Steven A. Ginther, 301 W. High Street, PO Box 475,
Jefferson City, MO 65105-0475
cr +National Rural Telecommunications Cooperative, 2121 Cooperative Way, Herndon, VA 20171-4543
cr +Nucentrix Broadband Networks, Inc., Attn: J. Curtis Henderson, Sr. VP and General Counsel,
17440 North Dallas Parkway, Suite 230, Dallas, TX 75287-7308
cr +Official Committee of Unsecured Creditors, Wachovia Bank, N.A., Trustee,
c/o Smith, Gambrell & Russell, LLP, Attn: John T. Vian, Esq.,
1230 Peachtree Street, NE, Suite 3100, Atlanta, GA 30309-3592
cr +Prime TV LLC, 1930 N. Poplar Street, Southern Pines, NC 28387-7091
cr +Riverside Claims LLC, Attn: Connie Macewicz, P.O. Box 626 - Planetarium Station,
New York, NY 10024-0626
cr +Tejas Securities Group, Inc., 2700 Via Fortuna, Suite 400, Austin, TX 78746-7570
cr +Tennessee Department of Revenue, c/o TN Attorney General's Office, Bankruptcy Division,
P.O. Box 20207, Nashville, TN 37202-4015
cr +Texas Ad Valorem Tax Authorities, c/o Michael Reed, P.O. Box 26990, Austin, TX 78755-0990
intp +Trumbull Services, L.L.C., 4 Griffin Road North, Windsor, CT 06095-1579
intp +United States Trustee, 537 Congress Street, Portland, ME 04101-3318
cr +c/0 Neil Herskowitz Riverside Contracting LLC, PO Box 626, Planetarium Station,
New York, NY 10024-0626

The following entities were served by electronic transmission on Oct 12, 2004 and receipt of the transmission was confirmed on:

aty +E-mail: rclement@verrilldana.com Oct 12 2004 21:45:26 Roger A. Clement, Jr., Esq.,
Verrill & Dana, One Portland Square, P.O. Box 586, DTS, Portland, ME 04112-0586
TOTAL: 1

***** BYPASSED RECIPIENTS (continued) *****

***** BYPASSED RECIPIENTS (undeliverable, * duplicate) *****

aty Andrew D. Gottfried
aty Arnold & Porter, LLP
aty Bernstein, Shur, Sawyer & Nelson
aty Drinker, Biddle & Reath, LLP
aty Dustin F. Hecker, Posternak, Blankstein
aty Eric W. Hagen, Kirkland & Ellis, LLP
aty Jay Teitelbaum, Morgan, Lewis
aty Kristopher M. Hansen, Stroock & Stroock & Lavan LLP
aty Shaw, Pittman, LLP
aty Sidley Austin Brown & Wood LLP
aty Stephen M. Ryan
sp Arnold & Porter, LLP
cr Austin CAD
cr Blanco CAD
fa Capital & Technology Advisors, LLC
op Capital Management Associates, Inc.
intp Carsey Warner Distribution, LLC
cr City of DeLeon, a municipal corporation, DeLeon Independent School District
cr Connecticut Dept. of Revenue Services
cr County of Lynn
cr County of Henderson, Trinity Valley Community Coll
cr County of Van Zandt
cr County of Wilbarger, Vernon Independent School Dis
cr Crown Castle South, LLC
cr D.E. Shaw Laminar Portfolios, LLC
cr Delaware Street Capital Master Fund, LP, et al
cr Directv
consult FTI Consulting, Inc.
fa Greenhill & Co., LLC
intp H.M. Davidson & Co., L.L.C.
cr HBK Investments L.P.
cr HSBC Bank USA
consult Herbein & Company, Inc.
acc Herbein Consulting, Inc.
consult Hewitt Associates LLC
cr Houston CAD
cr IntelliRisk Management Corporation
cr Jackson County
op KPMG LLP
consult Kekst and Company Incorporated
sp King & Spalding, LLP
acc Kreischer Miller
cr LEC Development, Inc.
cr Lampass CAD
cr Lee County
cr Llano County
cr Madison County
cr Mastagorda County
cr Metron North America, Inc.
fa Miller Buckfier Lewis Ying & Co., LLC
cr Normangee ISD
cr Nortel Networks, Inc.
cr Omnipoint Holdings, Inc.
cr Par Capital Management, Inc.
cr Paramount Pictures Corp.
intp Pegasus Communications Corporation
cr Polk County
aud PricewaterhouseCoopers LLP
acc PricewaterhouseCoopers LLP
cr Refugio County
sp Shaw Pittman LLP
cr Shelby County
cr Telepictures Distribution
cr Terrell County
cr The Steering Committee of Senior Secured Creditors
cr Trinity County
cr Trinity/Groveton Tax Office
cr Wachovia Bank, National Association
cr Warner Bros. Entertainment, Inc.
cr Wilmington Trust Co.

TOTALS: 70, * 0

Addresses marked '+' were corrected by inserting the ZIP or replacing an incorrect ZIP.
USPS regulations require that automation-compatible mail display the correct ZIP.

District/off: 0100-2
Case: 04-20878

User: rrowell
Form ID: pdf901

Page 4 of 4
Total Served: 98

Date Rcvd: Oct 12, 2004

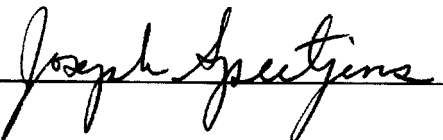
***** BYPASSED RECIPIENTS (continued) *****

I, Joseph Speetjens, declare under the penalty of perjury that I have served the attached document on the above listed entities in the manner shown, and prepared the Certificate of Service and that it is true and correct to the best of my information and belief.

First Meeting of Creditor Notices only (Official Form 9): Pursuant to Fed. R. Bank. P. 2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Oct 14, 2004

Signature:

A handwritten signature in black ink, reading "Joseph Speetjens", written over a horizontal line.