

Hearing Date:
November 8, 2004 at 10:30 a.m.
Objection Deadline:
November 5, 2004 at 4:00 p.m.
PORTLAND

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE

In re

PEGASUS SATELLITE TELEVISION, INC.,
et. al.

Debtors

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Chapter 11
Case No. 04-20878

**FIRST INTERIM FEE APPLICATION FOR COMPENSATION AND REIMBURSEMENT OF
EXPENSES FOR FTI CONSULTING, INC.
AS FINANCIAL ADVISORS
FOR THE DEBTORS**

FTI Consulting, Inc. ("FTI"), as Financial Advisors to the debtors and debtors-in-possession (the "Debtors") in the above-captioned chapter 11 case, hereby files this First Interim Fee Application of FTI for Allowance and Payment of Compensation for Services and Reimbursement of Expenses (this "Application") pursuant to 11 U.S.C. §§ 330 and 331, Fed. R. Bank. P. 2016, and Rule 2016-1 of this Court's local rules (such local rules hereinafter referred to as "Me. LBR"). As set forth more fully below, this Application seeks \$375,533.25 in compensation for services rendered and reimbursement of expenses in the amount of \$21,219.01 for a total fees and expenses of \$396,752.26, for the period of June 2, 2004 through August 31, 2004 (the "Application Period"). In support of this Application, FTI states as follows:

INTRODUCTION

1. On June 2, 2004 (the "Petition Date"), each Debtor filed a petition for relief under chapter 11 of 11 U.S.C. § 101 *et seq.* (the "Bankruptcy Code"). On the Petition Date, the Debtors

also filed motions or applications seeking certain “first day” orders, including an order to have these cases jointly administered. The Debtors continue to operate their businesses as debtors-in-possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Debtors’ chapter 11 cases. On June 10, 2004, the Office of the United States Trustee appointed an Official Committee of Unsecured Creditors in these cases pursuant to section 1102 of the bankruptcy Code.

2. On June 4, 2004, the Debtors filed with this Court, that certain Application for Order, Pursuant to Sections 327 and 328 of the Bankruptcy Code, Authorizing the Employment of FTI Consulting, Inc., as Financial Advisors for the Debtors (the “Employment Application”). On June 24, 2004, this Court entered an order authorizing the employment of FTI by the Debtors, effective June 3, 2004.

3. This Application constitutes FTI’s first application to this Court for compensation for services rendered and expenses incurred as financial advisor to the Debtors. No understanding exists between FTI and any other person for the sharing of the compensation sought by this Application, except among the partners and associates of FTI. In addition, no payments have been made or promised to FTI from any other source for services rendered or to be rendered in connection with the Debtors’ chapter 11 cases.

4. To date a retainer has been paid to FTI in the amount of \$150,000.00.

5. On June 8th, 2004, the Debtors filed its Motion for Interim Compensation for Professionals establishing procedures, between fee applications, for the interim compensation and reimbursement of expenses for professionals. The motion was granted and an order was entered on June 24th, 2004 (the “Compensation Order”). Under the order, FTI is authorized to request re-imburement, on a monthly basis for 90% of the fees rendered and 100% of the expenses incurred during the preceding

month.

6. The Interim Compensation Order also provides that professionals are to file and serve upon the notice parties an interim request (an "Interim Fee Application") for interim Court approval and allowance of the Monthly Fee Statements filed during the quarter covered by that Interim Fee Application. If the Court grants the relief requested by the Interim Fee Application, the Debtors are authorized and directed to pay the professional 100% of the fees and expenses requested in the Monthly Fee Statements covered by that Interim Fee Application, less any amounts previously paid in connection with the Monthly Fee Statements. Any payment made pursuant to the Monthly Fee Statements or an Interim Fee Application is subject to final approval of all fees and expenses at a hearing on the professional's final fee application.

7. The Applicant has filed the following Monthly Fee Statements for interim compensation and reimbursement of expenses:

On August 9, 2004, FTI submitted a monthly fee statement for the time period covering June 2, 2004 to June 30, 2004 ("June Fee Statement"). After receiving a certificate of no objection, FTI was paid on September 13, 2004, 90% of professional fees (\$92,108.03) and 100% of expenses (\$9,223.92).

On September 13, 2004, FTI Submitted a monthly fee statement for the time period covering July 1, 2004, to July 31, 2004 ("July Fee Statement"). After receiving a certificate of no objection, FTI was paid on October 7, 2004, 90% of professional fees (\$114,661.58) and 100% of expenses (\$4,443.86) incurred during this

period.

Concurrent with this First Interim Fee Application, FTI is submitting a monthly fee statement for the time period covering August 1, 2004 to August 31, 2004 (“August Fee Statement”). This shall be subject to the same proceedings and objection period as the aforementioned monthly fee statements.

8. During the First Interim Period, FTI rendered services to the Debtors in the amount of \$396,752.26, comprised of: 837.0 hours of services for total fees incurred of \$375,533.25 (Attached hereto as **Exhibit A-3**, is a detailed Statement of Services Rendered, including a detailed accounting of time, task code and a description of the task performed by each professional during the Invoice Period) and \$21,219.01 in actual and necessary expenses incurred by FTI (Attached hereto as **Exhibit C** is a detailed Statement of Expenses Incurred, including date, description, and associated professional for each expense item).

DESCRIPTION OF SERVICES

9. Pursuant to Me. LBR 2016-1(a)(3)(i), a full breakout and description of services provided to the Debtors by FTI is set forth below and more specifically on Exhibit A attached hereto.

A - Case Administration/Travel. FTI expended time in the overall project planning, budgeting and staffing of this engagement. In addition, FTI conducted periodic meetings with personnel involved in the Debtor’s reorganization to ensure clear communication on key activities and issues arising in the case. These necessary meetings have helped to maximize the efficient administration of the estate and helped

to avoid duplication of effort by professionals involved in the case. Half of actual travel time to and from the Debtors' location is also included in this category. For a more detailed daily description of services rendered for this category, see Exhibit A-3. For hours and fees incurred in this category, see Exhibit A-1.

B - Fee Statement and Fee Application. During the Application Period, FTI spent time coordinating billing, aggregating and formatting detailed time and expense descriptions and developing narratives for the fee statements. For a more detailed daily description of services rendered for this category, see Exhibit A-3. For hours and fees incurred in this category, see Exhibit A-1.

C - Statements and Schedules. FTI assisted the Debtors in preparing the Statement of Financial Affairs, the Statement of Assets and Liabilities, and the corresponding footnotes for each of the Debtors. FTI led numerous work sessions and meetings in which it provided the Debtors with guidance and assistance concerning the type of information that was required for the Statements and Schedules, required format and presentation and assistance with classifying and evaluating claims and other items included on the Statements and Schedules. During these work sessions and meetings, FTI also assisted the Debtors in assigning responsibilities and communicating requirements to various departments and employees of the Debtors. FTI worked closely with the Debtors in gathering preliminary information, validating, reconciling, formatting and editing the required information. For a more detailed daily description of services rendered for this category, see Exhibit A-3. For hours and fees incurred in this category, see Exhibit A-1.

D - First Day Order Support including Strategy. FTI reviewed the first day

motions and provided the Debtors and Debtors' Counsel with guidance and recommendations on business points and financial and structural issues concerning these motions. FTI also assisted the Debtors in identifying, gathering, reviewing, formatting, analyzing, and organizing the financial and other information required to support the first day motions and the Debtors' affidavit for the first day motions hearing. For a more detailed daily description of services rendered for this category, see Exhibit A-3. For hours and fees incurred in this category, see Exhibit A-1.

E - Cash Flow/Cash Management. No time was spent on this area during the Application Period.

F - Executory Contract Analysis. FTI supported the Debtors in its evaluation process of executory contracts, including, but not limited to, the following tasks: providing guidance on and gathering information about such contracts, developing templates for gathering the required information, reviewing and analyzing executory contract information, various discussions regarding the consequences/impacts of the rejection/assumption of executory contracts, and the preparation of high-level rejection analyses providing an estimated range of rejection values. For a more detailed daily description of services rendered for this category, see Exhibit A-3. For hours and fees incurred in this category, see Exhibit A-1.

G - Work Plan Support. FTI coordinated and assisted Debtors' Counsel, as appropriate, in the review and development of the Bankruptcy case work plan. For a more detailed daily description of services rendered for this category, see Exhibit A-3. For hours and fees incurred in this category, see Exhibit A-1.

H - Claims Analysis and Support. FTI gathered and organized claims

information provided by the Debtors and developed a comprehensive database of this information to be used in the future for claims analysis, reconciliation and support. FTI also developed information for and provided such information to the claims agent to aid it in the notification process. For a more detailed daily description of services rendered for this category, see Exhibit A-3. For hours and fees incurred in this category, see Exhibit A-1.

I - Plan of Reorganization/ Confirmation Support. No time was spent on this area during the Application Period.

J - Accounting Systems/Financial Reporting and MOR Support. FTI provided the Debtors with guidance, assistance and recommendations regarding operational accounting and accounting systems issues and procedures, such as adjustments to the accounting systems and reporting requirements post bankruptcy, requirements, procedures, and controls regarding the review, analysis and bifurcation of invoices received post petition, classifications of various assets and liabilities and various operational accounting issues related to bankruptcy. In addition, FTI supported to the Debtors in the preparation and filing of its Monthly Operating Reports required by the U.S. Trustee. For a more detailed daily description of services rendered for this category, see Exhibit A-3. For hours and fees incurred in this category, see Exhibit A-1.

K - Assistance in Preparation and Analysis for Interested Parties. FTI assisted the Debtors in gathering, formatting, analyzing, reviewing and preparing information required for the Initial Debtors Conference with the U.S. Trustee. In addition, FTI prepared certain analyses and gathered information that was subsequently provided to various interested parties. For a more detailed daily description of services rendered

for this category, see Exhibit A-3. For hours and fees incurred in this category, see Exhibit A-1.

L – Meetings and Correspondence with Debtors or UCC and/or its Professionals.

FTI, in its role as financial advisor, conducted meetings and telephone calls and managed correspondence between the Debtors and the UCC along with its professionals. For a more detailed daily description of services rendered for this category, see Exhibit A-3. For hours and fees incurred in this category, see Exhibit A-1.

M – Court Appearances and Trial Preparation. FTI reviewed various motions and pleadings with the Debtors and Debtors' Counsel associated with the Bankruptcy Court proceedings. For a more detailed daily description of services rendered for this category, see Exhibit A-3. For hours and fees incurred in this category, see Exhibit A-1.

10. The FTI team consisted of professionals with accounting, auditing, insolvency, corporate finance and business reorganization services expertise. A summary of the experience for each professional is attached in **Exhibit B**. A summary of hours and fees charged by professional are included in **Exhibit A-2**. FTI made every effort to maximize the benefit to the Estate and to work with other professionals employed in the case to avoid duplication of effort. The amount of services rendered by FTI to achieve the results obtained for the benefit of the Estate was reasonable in light of the complexity of the issues and the short time-frame presented. FTI judiciously allocated responsibilities to minimize possible duplication of efforts. Compensation is sought for participation by more than one professional only in instances where joint participation was necessary because of the significant impact of a particular meeting, the complexity of the problem involved, the specialization required or the need to

preserve a continuity of representation. It is often necessary for more than one professional to attend a meeting to facilitate communication of information rather than to relay the information from individual to individual.

11. FTT's services have directly benefited the estate and the fees and expenses incurred are reasonable and necessary.

12. Applicant further submits that the hourly rates charged by its professionals during the period covered by this Application are no greater than the customary hourly rates for such individuals both inside and outside of bankruptcy cases. Applicant believes these rates are comparable to or less than those charged by the bankruptcy and other professionals of other firms of comparable size, stature, and experience.

13. Pursuant to the Order Establishing Procedures for Interim Compensation of Professionals entered on June 24, 2004, Notice of this Fee Statement has been served upon (i) the Debtors, (ii) counsel for the Debtors, (iii) the Office of the United States Trustee for the District of Maine, and (iv) counsel for the Committee.

14. No previous motion for the relief requested herein has been made to this or any other Court.

WHEREFORE, after appropriate notice and hearing, Applicant respectfully requests the Court to approve, pursuant to 11 U.S.C. §§ 327, 331 and 503, interim compensation in the amount of \$375,533.25 and reimbursement of expenses in the amount of \$21,219.01, less any amounts previously paid to the Applicant pursuant to

the Monthly Fee Statements and the procedure set forth in the Interim Compensation Order, to authorize the Debtors to remit to Applicant any amounts due and owing in accordance with the Interim Compensation Order, and to grant such further relief as is just and proper.

FTI Consulting, Inc.
622 Third Avenue
New York, NY 10017-6707

BY: *Randall S. Eisenberg*
Randall S. Eisenberg
Senior Managing Director

FTI Consulting, Inc.
Exhibit A-1 of First Interim Period Fee Application
Statement of Services Rendered
Pegasus Satellite Television, Inc., et. al.
Case No. 04-20878

Code Task Description	Hours	Fees
A Case Administration / Travel	34.6	\$ 17,157.75
B Fee Statement and Fee Application (Prepare Fee Application)	34.2	15,596.00
C Statements and Schedules (Prepare Schedules and Statement of Financial Affairs)	499.2	222,400.00
D First Day Order Support including Strategy	92.5	42,340.00
E Cash flow / cash management/ cash collateral support	0.0	-
F Executory Contract Analysis	49	22,476.50
G Work plan support	4.8	1,992.00
H Claims Analysis and Support	24.6	8,624.00
I Plan of reorganization conformation support	0.0	-
J Accounting systems /Financial Reporting and MOR Support	68.5	31,296.50
K Assistance in preparation and analysis for interested parties	17.6	7,766.00
L Meetings and Correspondence with Debtors or UCC and/or its Professionals	9.3	4,197.00
M Court Appearances & Trial Preparation	2.7	1,687.50
Total	837.0	\$375,533.25

Exhibit A-2**Statement of Services Rendered by FTI Consulting, Inc (“FTI”)
Financial Advisor to Pegasus Satellite Television, Inc. et. al
 (“Debtors”)**

Applicant:	Hours:	Rate:	Fees:	Expenses:	Total:
Randall Eisenberg	27.9	\$625.00	\$17,437.50	\$0.00	\$17,437.50
Jeff Stegenga	2.5	\$625.00	\$1,562.50	\$0.00	\$1,562.50
Terrence Grossman	182.0	\$560.00	\$101,920.00	\$4,573.43	\$106,493.43
Stephanie Newhall	150.6	\$503.00	\$75,771.00	\$601.12	\$76,372.12
Jarod Wada	289.7	\$415.00	\$120,204.75	\$16,044.46	\$136,299.08
Sumeet Johar	16.3	\$445.00	\$7,253.50	\$0.00	\$7,253.50
Lisa Kuhn	0.9	\$520.00	\$468.00	\$0.00	\$468.00
Julia Ubelhor	14.0	\$340.00	\$4,760.00	\$0.00	\$4,760.00
Ryan Gildersleeve	5.6	\$310.00	\$1,736.00	\$0.00	\$1,736.00
Sarah Andersen	88.5	\$340.00	\$30,090.00	\$0.00	\$30,090.00
Joshua Robinson	15.6	\$286.00	\$4,458.00	\$0.00	\$4,458.00
Joseph Giljum	32.5	\$235.00	\$7,637.50	\$0.00	\$7,637.50
Chris Tamm	9.4	\$205.00	\$1,927.00	\$0.00	\$1,927.00
Jason Melis	1.5	\$205.00	\$307.50	\$0.00	\$307.50
Total	837.0		\$375,533.25	\$ 21,219.01	\$ 396,752.26

Date	Professional	Title	Hours	Task Code	Description
06/02/04	Jarod Wada	Director	0.4	D	Review and provide comments on utilities adequate assurance motion.
06/02/04	Jarod Wada	Director	0.7	D	Review and provide comments on pre-petition tax motion.
06/02/04	Jarod Wada	Director	0.6	D	Review and modify employee wages and benefits motion.
06/02/04	Jarod Wada	Director	0.9	D	Review and modify cash management motion.
06/02/04	Jarod Wada	Director	1.6	D	Finalize amended top 50 unsecured creditors list to include phone numbers in contact information.
06/02/04	Stephanie Newhall	Director	0.6	D	Discuss certain First Day Motion noticing parties with M. Burke (Sidley).
06/02/04	Stephanie Newhall	Director	0.4	D	Advise J. Robinson (FTI) to forward creditor lists M. Burke (Sidley).
06/02/04	Terrence Grossman	Managing Director	0.6	D	Review and provide final comments on employee wage motion.
06/02/04	Terrence Grossman	Managing Director	0.5	D	Review Debtor calculations on financial information for wage motion.
06/02/04	Terrence Grossman	Managing Director	0.7	D	Review and provide final comments on Lodge Affidavit.
06/02/04	Terrence Grossman	Managing Director	0.4	D	Review and provide final comments on Dealer Motion.
06/02/04	Terrence Grossman	Managing Director	0.7	D	Review and provide guidance on Secured Debt / Capital Structure information for Lodge Affidavit with D. Quigley (Debtor).
06/02/04	Terrence Grossman	Managing Director	0.6	D	Meeting with D. Huscher (Debtor) re: provide guidance on financial information for wage motion.
06/02/04	Terrence Grossman	Managing Director	0.8	D	Review and provide comments on Tax Motion.
06/02/04	Terrence Grossman	Managing Director	0.7	D	Review and provide comments on Management Agreement Motion.
06/02/04 Total			10.2		
06/03/04	Chris Tamm	Associate	1.8	K	Reading / analyzing information regarding Pegasus' filing and DIRECTV's contract termination.
06/03/04	Chris Tamm	Associate	1.7	B	Update pre-petition fees and expense schedules to reflect actual June 1, 2004 and June 2, 2004 fees and expenses.
06/03/04	Chris Tamm	Associate	1.9	D	Preparing schedules related to conflicts.
06/03/04	J Stegenga	SMD	0.2	J	Discussion with J. Pooler (Debtor) re: filing cut-off issues.
06/03/04	J Stegenga	SMD	0.3	J	Discussion with Pegasus re: accounting disclosure issues.
06/03/04	J Stegenga	SMD	0.4	D	Discussion with R. Eisenberg (FTI) re: filing update.
06/03/04	Jarod Wada	Director	0.6	B	Review pre-petition fee and expense summary provided by C. Tamm (FTI).
06/03/04	Jarod Wada	Director	0.4	A	Coordinate finalization of FTI Retention Application
06/03/04	Jarod Wada	Director	0.8	D	Review list of wires sent out during pre-petition time.
06/03/04	Jarod Wada	Director	0.9	D	Organize finalized motions in support binder
06/03/04	Jarod Wada	Director	1.3	D	Review all final versions of first day motions/
06/03/04	Jarod Wada	Director	0.9	D	Work session with T. Grossman (FTI) and J. Pooler (Debtor) re: review and edit final version of first day status list and fact sheet.
06/03/04	Jarod Wada	Director	1.2	D	Develop "fact-sheet" summary of first day motions, including highlights of included figures.
06/03/04	Jarod Wada	Director	0.8	D	Work session with T. Grossman (FTI) re: receive guidance on First Day Hearing fact sheet.
06/03/04	Jarod Wada	Director	0.9	D	Compile support for and tie back to all figures within first day motions.
06/03/04	Jarod Wada	Director	0.4	D	Work Session with T. Grossman (FTI) re: requirements for support binder.
06/03/04	Joshua Robinson	Consultant	0.4	C	Conversation with S. Newhall (FTI) re: requirements for Pegasus creditor matrix.
06/03/04	Joshua Robinson	Consultant	0.9	C	Check top 50 vendor files for missing creditors in Creditor Matrix.
06/03/04	Joshua Robinson	Consultant	2.0	C	Organize source files received from Company and Sidley and email to S. Newhall (FTI).
06/03/04	Joshua Robinson	Consultant	1.4	C	Modify Creditor Matrix program to create text file extract per D. McSwigan's (TRUMBULL) specifications.
06/03/04	Joshua Robinson	Consultant	0.2	C	Email to J. Levine (PEGASUS) re: status of updating missing tax creditor addresses for PBT.
06/03/04	Joshua Robinson	Consultant	0.9	C	Update source descriptions in Claims Management System (CMS) per S. Newhall's (FTI) changes.
06/03/04	Joshua Robinson	Consultant	0.5	C	Update tax creditor addresses with those sent by J. Levine (PEGASUS).
06/03/04	Joshua Robinson	Consultant	1.2	C	Run Creditor Matrix program to supplement additional tax creditors and send to S. Newhall (FTI).
06/03/04	Randall S. Eisenberg	SMD	1.7	M	Review various key First Day Motions, provide comments

Date	Professional	Title	Hours	Task Code	Description
06/03/04	Randall S. Eisenberg	SMD	0.7	D	Discussions on status of preparation for First Day Hearings with T. Grossman (FTI)
06/03/04	Randall S. Eisenberg	SMD	0.4	D	Discussion with J. Stegenga (FTI) re: filing update.
06/03/04	Randall S. Eisenberg	SMD	0.3	J	Discussion with J. Pooler (Debtor) re: accounting write-off.
06/03/04	Stephanie Newhall	Director	0.5	C	Discuss system update to source information concerning lender and agent bank creditors.
06/03/04	Stephanie Newhall	Director	0.6	C	Discuss noticing file to be used by Trumbull Group with D. McSwigan (Trumbull).
06/03/04	Stephanie Newhall	Director	0.3	C	Review filing of Creditor Matrix with Bankruptcy Court with M. Burke (Sidley).
06/03/04	Stephanie Newhall	Director	0.7	C	Review missing addresses received from J. Levine (Pegasus) for Matrix supplement and advise on adding creditors to system.
06/03/04	Stephanie Newhall	Director	0.4	H	Conversation with J. Robinson (FTI) re: to-do list for Pegasus creditor matrix.
06/03/04	Stephanie Newhall	Director	1.2	C	Review noticing file for Trumbull Group and forward to D. McSwigan (Trumbull).
06/03/04	Terrence Grossman	Managing Director	1.2	D	Review detailed employee wage information. Calculate accrual and \$4,925 for each employee. Prepare document, indicating no employee exceeds wages.
06/03/04	Terrence Grossman	Managing Director	0.7	D	Discussions on status of preparation for First Day Hearings with R. Eisenberg (FTI)
06/03/04	Terrence Grossman	Managing Director	0.8	K	Work session with J. Wada (FTI) re: provide guidance on First Day Hearing fact sheet
06/03/04	Terrence Grossman	Managing Director	0.4	K	Meeting with J. Pooler (Debtor) re: provide guidance on day after requirements re: contact with Banks, Motions for vendors, etc.
06/03/04	Terrence Grossman	Managing Director	0.7	D	Review First Day Support Binders provide comments to J. Wada (FTI).
06/03/04	Terrence Grossman	Managing Director	1.1	D	Review various drafts of First Day Hearing status sheet / fact sheet.
06/03/04	Terrence Grossman	Managing Director	0.4	D	Conversation with Mike Burke (SID) re: additional requirements for Retention Application.
06/03/04	Terrence Grossman	Managing Director	0.5	J	Provide guidance to J. Pooler (Debtor) on cut off.
06/03/04	Terrence Grossman	Managing Director	0.9	A	Review conflicting secondary conflict check.
06/03/04	Terrence Grossman	Managing Director	0.4	D	Work Session with J. Wada (FTI) re: requirements for support binder.
06/03/04	Terrence Grossman	Managing Director	0.9	D	Work session with J. Wada (FTI) and J. Pooler (Debtor) re: review and edit final version of first day status list and fact sheet.
06/03/04 Total			36.8		
06/04/04	Jarod Wada	Director	1.1	D	Review support binders for First Day Motions and identify information missing.
06/04/04	Jarod Wada	Director	0.6	D	Discuss with J. Pooler (Debtor), et. al. regarding information missing in support binders.
06/04/04	Jarod Wada	Director	1.3	D	Update fact sheet summary of First Day Motions filed.
06/04/04	Jarod Wada	Director	0.4	D	Review final creditor matrix provided and compile backup into support binder.
06/04/04	Jarod Wada	Director	1.2	D	Review allocation methodology and backup calculations for support services motion.
06/04/04	Jarod Wada	Director	0.5	A	Discuss with internal FTI team regarding any/all next steps.
06/04/04	Jarod Wada	Director	1.0	A	Travel time (to be billed to client at 50%).
06/04/04	Stephanie Newhall	Director	0.7	C	Advise J. Robinson (FTI) and review documentation of creditor matrix source information for J. Wada (FTI).
06/04/04	Stephanie Newhall	Director	0.8	C	Review supplemental creditors received from D. Hatcher (Pegasus) regarding terminated employees.
06/04/04	Stephanie Newhall	Director	0.4	C	Discuss population of employee lay-offs with no signed release form with D. Hatcher (Pegasus).
06/04/04	Stephanie Newhall	Director	0.2	C	Advise M. Eyer (Pegasus) of creditor matrix additions.
06/07/04	Chris Tamm	Associate	8.2		
06/07/04	Chris Tamm	Associate	1.0	D	Discussions with various professionals related to FTI conflict check / motions appointing FTI as advisors.
06/07/04	Chris Tamm	Associate	1.3	D	Updating / editing schedules associated with additional conflicts.
06/07/04	Jarod Wada	Director	0.9	D	Participate and provide guidance in meeting with J. Pooler (Debtor), S. Hammond (Debtor), L. Sample (Debtor), T. Grossman (FTI), P. Caruso (Sidley) and Ellen Moring (Sidley) re: workplan, executory contracts and restrictions on payments that are or may be relative to cash collateral approval.
06/07/04	Jarod Wada	Director	0.7	A	Develop draft of FTI work plan based on guidance from T. Grossman
06/07/04	Jarod Wada	Director	0.8	D	Conduct final review of support binders for First Day Motions with T. Grossman (FTI)

Date	Professional	Title	Hours	Task Code	Description
06/07/04	Jared Wada	Director	0.5	K	Review due diligence information request from Chanin (secured creditors' financial advisors) with Company.
06/07/04	Jared Wada	Director	1.5	D	Review and summarize status of all filed motions for Debtor.
06/07/04	Jared Wada	Director	1.2	K	Assist Sidley with obtaining specific information from creditor matrix prepared by FTI
06/07/04	Jared Wada	Director	0.7	A	Review and modify summary of pre-petition fees and expenses.
06/07/04	Joshua Robinson	Consultant	0.5	C	Review additional matrix contingents and discuss with S. Newhall (FTI).
06/07/04	Randall S. Eisenberg	SVID	0.5	A	Review draft Workplan with T. Grossman (FTI) and make modifications
06/07/04	Randall S. Eisenberg	SVID	0.1	A	Review planning schedule and provide comments to T. Grossman (FTI).
06/07/04	Randall S. Eisenberg	SVID	0.4	M	Review various motions & pleadings.
06/07/04	Randall S. Eisenberg	SVID	0.7	A	Conference call with J. Pooler (Debtor), Accounting Team, and T. Grossman (FTI) re: planning.
06/07/04	Stephanie Newhall	Director	0.6	C	Discuss procedure and protocol for filing supplemental matrix information with counsel.
06/07/04	Stephanie Newhall	Director	0.5	C	Review additional matrix contingents and discuss with J. Robinson (FTI).
06/07/04	Stephanie Newhall	Director	1.4	C	Review additional matrix noticing parties in matrix format and forward to M. Eyer (Pegasus) for review.
06/07/04	Stephanie Newhall	Director	0.4	C	Correspond with D. McSwigan (Trumbull) to determine when matrix parties will be noticed.
06/07/04	Terrence Grossman	Managing Director	1.4	A	Draft Bankruptcy Financial Workplan for Debtor.
06/07/04	Terrence Grossman	Managing Director	0.7	A	Conference call with J. Pooler (Debtors), Accounting Team, and R. Eisenberg (FTI) re: planning.
06/07/04	Terrence Grossman	Managing Director	0.5	A	Review Draft Workplan with R. Eisenberg (FTI).
06/07/04	Terrence Grossman	Managing Director	0.4	A	Modify Financial Workplan based upon R. Eisenberg (FTI) commentary.
06/07/04	Terrence Grossman	Managing Director	0.8	D	Conduct final review of support binders for first day mentions, provide comments to J. Wada (FTI) concerning holes.
06/07/04	Terrence Grossman	Managing Director	0.9	D	Participate and provide guidance in meeting with J. Pooler (Debtor), S. Hammond (Debtor), L. Sample (Debtor), T. Grossman (FTI), P. Caruso (Sidley) and Ellen Moring (Sidley) re: workplan, executory contracts and restrictions on payments that are or may be relative to cash collateral approval.
06/07/04	Terrence Grossman	Managing Director	0.8	C	Review initial templates and work plan for SoFA and SOAL
06/07/04 Total			19.2		
06/08/04	Chris Tamim	Associate	1.2	D	Analyzing conflict lists / discussions with various professionals re: conflict check.
06/08/04	Chris Tamim	Associate	0.5	A	Call with T. Grossman (FTI) re: additional conflict check
06/08/04	J Stegenza	SVID	0.5	D	Discussion with Jim Conlan (Sidley) re: litigation updates.
06/08/04	J Stegenza	SVID	0.5	D	Discussion with J. Click re: pending litigation issues.
06/08/04	Jared Wada	Director	0.9	L	Prepare checklist for initial debtors' meeting with trustee.
06/08/04	Jared Wada	Director	0.8	J	Prepare template for use in debtors' monthly operating reports.
06/08/04	Jared Wada	Director	0.9	J	Discuss with T. Grossman (FTI) re: MOR template and initial requirements for U.S. Trustee
06/08/04	Jared Wada	Director	0.3	C	Discuss comprehensive listing with J. Robinson (FTI) and forward to S. Newhall (FTI).
06/08/04	Jared Wada	Director	0.9	D	review filed interim cash collateral order
06/08/04	Jared Wada	Director	0.8	D	review filed interim cash management order
06/08/04	Jared Wada	Director	0.6	D	review and summarize status of all filed motions
06/08/04	Jared Wada	Director	0.8	D	Work session with T. Grossman (FTI) re: provide guidance on motion tracking to do list
06/08/04	Jared Wada	Director	0.3	C	Review and discuss identification of comprehensive listing of state taxing authorities from creditor matrix with S. Newhall (FTI).
06/08/04	Jared Wada	Director	0.9	D	create list of state and federal taxing authorities for Sidley to use in noticing process
06/08/04	Jared Wada	Director	0.6	D	meeting with debtors' management and debtors' counsel to discuss next steps
06/08/04	Jared Wada	Director	1.3	J	Participate in and provide guidance during work plan meeting with J. Pooler (Debtor), S. Hammond (Debtor), B. Gucharz (Debtor), L. Sample (Debtor), T. Grossman (FTI)
06/08/04	Joshua Robinson	Consultant	0.4	C	meeting with debtors' management and debtors' counsel to discuss next steps
06/08/04	Stephanie Newhall	Director	0.3	C	Review request for state taxing authorities for Sidley.
06/08/04	Stephanie Newhall	Director	0.6	C	Identify comprehensive listings from Company sources regarding state taxing authorities.

Date	Professional	Title	Hours	Task Code	Description
06/03/04	Stephanie Newhall	Director	0.3	C	Review and discuss identification of comprehensive listing of state taxing authorities from creditor matrix with J. Wada (FTI).
06/03/04	Stephanie Newhall	Director	0.8	C	Supplement state taxing authority list from Creditor Matrix based on original source files.
06/03/04	Stephanie Newhall	Director	0.8	C	Discuss comprehensive listing with J. Robinson (FTI) and forward to J. Wada (FTI).
06/08/04	Terrence Grossman	Managing Director	1.2	J	Review requirements and monthly operating reports from trustee
06/08/04	Terrence Grossman	Managing Director	0.8	A	Modify Work plan based on comments from Sidley
06/08/04	Terrence Grossman	Managing Director	1.3	J	Participate in and provide guidance during financial reporting and accounting systems work plan meeting with J. Pooler (Debtor), S. Hammond (Debtor), B. Gucharz (Debtor), L. Sample (Debtor), J. Wada (FTI)
06/08/04	Terrence Grossman	Managing Director	0.9	J	Provide Guidance to J. Wada (FTI) re: MOR template and initial requirements for U.S. Trustee.
06/08/04	Terrence Grossman	Managing Director	0.5	A	Call with C. Tamm (FTI) re: additional conflict check.
06/08/04	Terrence Grossman	Managing Director	0.9	A	Review supplemental conflict summary.
06/08/04	Terrence Grossman	Managing Director	0.8	D	Work session with J. Wada (FTI) re: provide guidance on motion tracking to do list
06/08/04	Terrence Grossman	Managing Director	0.9	C	Review and modify template and instructions for SoFA and SOAL.
06/08/04 Total			21.8		
06/09/04	J Stegenga	SMD	0.6	D	Discussion with R. Eisenberg (FTI) re: first day motion update.
06/09/04	Jarod Wada	Director	0.9	G	Review orders.
06/09/04	Jarod Wada	Director	1.6	G	Identify and summarize debtors' required actions from orders.
06/09/04	Jarod Wada	Director	0.7	F	Identify necessary information for list of leases and discuss with Mark Eyer (Debtor).
06/09/04	Jarod Wada	Director	1.3	J	Discuss with J. Pooler (Debtor), et. al. regarding financial reporting workplan.
06/09/04	Jarod Wada	Director	1.1	L	Working session with T. Grossman (FTI) re: [provide guidance on information for initial meeting with trustee and MOR format and requirements. Review and comment on checklist and templates.
06/09/04	Jarod Wada	Director	0.6	D	Review and provide comments to T. Grossman (FTI) on initial draft of motion tracking to list.
06/09/04	Jarod Wada	Director	1.1	J	Review executive package for PSC and FM&C.
06/09/04	Jarod Wada	Director	0.8	J	Review executive package for PBT.
06/09/04	Jarod Wada	Director	0.4	J	Review customer promotion motion/order.
06/09/04	Randall S. Eisenberg	SMD	0.5	F	Review status of various analysis underway to meet financial reporting requirements
06/09/04	Randall S. Eisenberg	SMD	0.6	D	Discussion with J. Stegenga (FTI) re: first day motion update.
06/09/04	Stephanie Newhall	Director	0.4	C	Coordinate liability data collection workplan for Pegasus.
06/09/04	Stephanie Newhall	Director	1.1	C	Review and revise templates for liability data collection for Pegasus.
06/09/04	Stephanie Newhall	Director	0.6	C	Document efficiencies for collection of contract and litigation data for SoFA and SOAL purposes and forward to J. Wada (FTI) for review.
06/09/04	Terrence Grossman	Managing Director	0.6	D	Review and provide comments to J. Wada (FTI) on initial draft of motion tracking to list.
06/09/04	Terrence Grossman	Managing Director	0.7	F	Review and provide guidance on executory contract analysis template.
06/09/04	Terrence Grossman	Managing Director	1.1	K	Working session with J. Wada (FTI) re: provide guidance on information for initial meeting with trustee and MOR format and requirements. Review and comment on checklist and templates.
06/09/04	Terrence Grossman	Managing Director	0.6	D	Review administrative payments order. Provide guidance to Debtor on payment requirements and cash flow.
06/09/04	Terrence Grossman	Managing Director	0.8	D	Review cash collateral order. Ensure all reporting and compliance requirements are included in motion tracking list and workplan created for Debtor.
06/09/04	Terrence Grossman	Managing Director	0.6	F	Review draft of contract analysis template make modifications to include SOAL requirements.
06/09/04	Terrence Grossman	Managing Director	0.7	C	Meeting with M. Eyer (Debtor) re: contract requirements for SOAL and allowed claims for rejection.
06/09/04 Total			17.4		
06/10/04	Jarod Wada	Director	1.1	K	Participate in and provide guidance for work session on data requirement and format for initial meeting with trustee with J. Pooler (Debtor), S. Hammond (Debtor), B. Gucharz (Debtor), L. Sample (Debtor), and T. Grossman (FTI).

Date	Professional	Title	Hours	Task Code	Description
06/10/04	Jarod Wada	Director	1.2	J	Participate in and provide guidance for work session on MOR requirement and format with J. Pooler (Debtor), S. Hammond (Debtor), B. Gucharz (Debtor) L. Sample (Debtor) and T. Grossman (FTI).
06/10/04	Jarod Wada	Director	1.3	D	Review certain recently completed orders.
06/10/04	Jarod Wada	Director	0.9	D	Update support for motions.
06/10/04	Jarod Wada	Director	1.5	K	Establish preliminary support for Initial Debtors Conference.
06/10/04	Jarod Wada	Director	1.3	J	Review templates for monthly operating reports.
06/10/04	Jarod Wada	Director	0.8	K	Work session with T. Grossman (FTI) re: preparation for meeting with Debtor on requirements for trustee and initial meeting.
06/10/04	Jarod Wada	Director	1.1	C	Review workplan for SoFA and SOAL.
06/10/04	Randall S. Eisenberg	SMD	0.5	K	Review summary of orders pertaining to First Day Motions.
06/10/04	Randall S. Eisenberg	SMD	0.6	K	Review SOP 90-7 and respond to inquiries from company re: accounting treatment of filing.
06/10/04	Randall S. Eisenberg	SMD	0.6	M	Review outline of information for initial meeting with U.S. Trustee.
06/10/04	Randall S. Eisenberg	SMD	0.4	A	Discussion with T. Grossman (FTI) re: Management Agreement.
06/10/04	Terrence Grossman	Managing Director	0.8	K	Work session with J. Wada (FTI) re: preparation for meeting with Debtor on requirements for trustee and initial meeting.
06/10/04	Terrence Grossman	Managing Director	1.1	K	Participate in and provide guidance for work session on data requirement and format for initial meeting with trustee with J. Pooler (Debtor), S. Hammond (Debtor), B. Gucharz (Debtor) L. Sample (Debtor) and J. Wada (FTI)
06/10/04	Terrence Grossman	Managing Director	1.2	J	Participate in and provide guidance for work session on MOR requirement and format with J. Pooler (Debtor), S. Hammond (Debtor), B. Gucharz (Debtor) L. Sample (Debtor) and J. Wada (FTI).
06/10/04	Terrence Grossman	Managing Director	0.4	A	Discussion with R. Eisenberg (FTI) re: Management Agreement.
06/10/04	Terrence Grossman	Managing Director	14.8	F	Discuss issues with Executory Contract collection with S. Newhall (FTI).
06/11/04	Jarod Wada	Director	0.7	G	Review post-petition workplan developed by Sidley.
06/11/04	Jarod Wada	Director	0.6	C	Review templates for SoFA and SOAL.
06/11/04	Jarod Wada	Director	0.4	C	Conference call with S. Newhall (FTI) and T. Grossman (FTI) re: preparation and requirements for SoFA / SOAL meeting. Format of templates and workflow requirements for preparation of SoFA and SOAL.
06/11/04	Jarod Wada	Director	2.0	A	Travel time (to be billed to client at 50%).
06/11/04	Randall S. Eisenberg	SMD	0.8	C	Discussion with P. Caruso (Sidley) re: ruling, US Trustee meeting and Committee formation.
06/11/04	Randall S. Eisenberg	SMD	0.4	C	Review various correspondence re: ruling and Statement and Schedules.
06/11/04	Stephanie Newhall	Director	0.4	C	Conference call with J. Wada (FTI) and T. Grossman (FTI) re: preparation, requirements for SOFA / SOAL meeting. Format of templates and workflow requirements for preparation of SoFA and SOAL.
06/11/04	Stephanie Newhall	Director	0.7	C	Discuss issues with Executory Contract collection with J. Wada (FTI).
06/11/04	Stephanie Newhall	Director	1.8	C	Create sample contract records and advise M. Eyer (Pegasus) on use of MS Access template for Contract data collection.
06/11/04	Terrence Grossman	Managing Director	0.4	C	Conference call with J. Wada (FTI), S. Newhall (FTI) re: preparation, requirements for SOFA / SOAL meeting. Format of templates and workflow requirements for preparation of SoFA and SOAL.
06/11/04	Terrence Grossman	Managing Director	8.9	A	Travel time (to be billed to client at 50%).
06/11/04	Jarod Wada	Director	2.0	B	Gather and review time for fee application.
06/11/04	Jarod Wada	Director	1.1	K	Review Company provided information for preparation of Initial Debtors Conference.
06/11/04	Randall S. Eisenberg	SMD	0.4	A	Review status of planning for meeting with US Trustee and discuss with T. Grossman (FTI).
06/11/04	Terrence Grossman	Managing Director	0.4	A	Review status of planning for meeting with US Trustee and discuss with R. Eisenberg (FTI).
06/11/04	Terrence Grossman	Managing Director	5.2	A	Review status of planning for meeting with US Trustee and discuss with R. Eisenberg (FTI).

Date	Professional	Title	Hours	Task Code	Description
06/15/04	Jarod Wada	Director	2.4	C	Develop and distribute SoFA template to Debtors.
06/15/04	Jarod Wada	Director	2.2	C	Develop and distribute SoAL template to Debtors.
06/15/04	Jarod Wada	Director	0.3	D	Work session with T. Grossman (FTI) re: provide guidance on initial debtor meeting binder.
06/15/04	Jarod Wada	Director	1.2	K	Compile information on officers by entity.
06/15/04	Jarod Wada	Director	1.1	K	Compile and review tax liabilities by entity.
06/15/04	Jarod Wada	Director	1.8	K	Compile, review and format list of Secured Debtors for Initial Debtors Conference materials.
06/15/04	Jarod Wada	Director	1.3	G	Update motion status and coordinate to Sidley's postpetition workplan.
06/15/04	Jarod Wada	Director	0.4	G	Discuss motion status matrix and next steps with P. Caruso (Sidley).
06/15/04	Terrence Grossman	Managing Director	0.9	D	Review updated motions matrix and work plan and provide comments.
06/15/04	Terrence Grossman	Managing Director	1.1	C	Review suggested templates for SoFA and SoAL, provide comments and make adjustment.
06/15/04	Terrence Grossman	Managing Director	0.4	D	Meeting with J. Pooler (Debtor) re: Reporting / MOR and other issues to be addressed at trustee meeting
06/15/04	Terrence Grossman	Managing Director	0.3	D	Work session with J. Wada (FTI) re: provide guidance on initial debtor meeting binder.
06/15/04	Terrence Grossman	Managing Director	0.5	C	Review instruction guidelines for SoFA and SoAL
06/15/04 Total			13.9		
06/16/04	Jarod Wada	Director	1.1	D	Discuss with J. Pooler (Debtor) and P. Caruso (Sidley) re: US Trustee operating guidelines.
06/16/04	Jarod Wada	Director	0.3	A	Discuss with T. Grossman (FTI) regarding next steps.
06/16/04	Jarod Wada	Director	1.1	B	Compile interim time and expenses, summarized for June 2, 2004 through June 13, 2004.
06/16/04	Jarod Wada	Director	0.5	A	Discuss with P. Caruso (Sidley) regarding next steps and to-do's
06/16/04	Jarod Wada	Director	0.4	D	Review payroll return information provided by D. Huscher (Company) for Initial Debtors Conference.
06/16/04	Jarod Wada	Director	0.6	D	Review and modify Initial Debtors Conference binder for appropriate footnotes.
06/16/04	Jarod Wada	Director	0.9	D	Format and organize Initial Debtors Conference binder.
06/16/04	Jarod Wada	Director	0.7	D	Review checklist for Initial Debtors Conference information required.
06/16/04	Jarod Wada	Director	0.6	D	Modify and redistribute list of outstanding information required for Initial Debtors Conference.
06/16/04	Randall S. Eisenberg	SMD	0.5	D	Discussion with T. Grossman (FTI) re: preparation for meeting with US Trustee.
06/16/04	Randall S. Eisenberg	SMD	0.6	D	Review various correspondence, re: planning and meeting with US Trustee.
06/16/04	Terrence Grossman	Managing Director	0.5	D	Discussion with R. Eisenberg (FTI) re: preparation for meeting with US Trustee.
06/16/04	Terrence Grossman	Managing Director	0.8	D	Review initial draft of binder for trustee meeting and provide comments.
06/16/04	Terrence Grossman	Managing Director	0.3	A	Discuss with J. Wada (FTI) regarding next steps FTI workplan.
06/16/04	Terrence Grossman	Managing Director	0.4	D	Review and provide suggested revisions to motion matrix.
06/16/04	Terrence Grossman	Managing Director	0.6	B	Review initial billing and post-petition time detail. For FTI professionals.
06/16/04 Total			9.9		
06/17/04	Jarod Wada	Director	1.6	D	Discuss with J. Pooler (Debtor) regarding status of information required for Initial Debtors Conference.
06/17/04	Jarod Wada	Director	2.1	D	Review support binder for Initial Debtors Conference.
06/17/04	Jarod Wada	Director	0.8	D	Discuss with J. Levine (Company) regarding status of information required for Initial Debtors Conference.
06/17/04	Jarod Wada	Director	0.6	D	Discuss with L. Samples (Company) regarding status of information required for Initial Debtors Conference.
06/17/04	Jarod Wada	Director	1.1	D	Discuss with S. Hammond (Company) regarding status of information required for Initial Debtors Conference
06/17/04	Jarod Wada	Director	1.4	D	Final worksession with J. Pooler (Debtor), S. Hammonds (Debtor), L. Sample (Debtor), D. Quigley (Debtor), J. Levine (Debtor), and T. Grossman (FTI) re: information to provide to trustee in initial meeting
06/17/04	Terrence Grossman	Managing Director	0.9	D	Review binder for Trustee meeting provide comments
06/17/04	Terrence Grossman	Managing Director	1.3	D	Review June financials, monthly operating report formats, cash flows and provide comments.
06/17/04	Terrence Grossman	Managing Director	0.9	D	Draft disclosures and footnotes for various financial information and general disclosure for information provided to trustee.

Date	Professional	Title	Hours	Task Code	Description
06/17/04	Terrence Grossman	Managing Director	1.4	D	Final work session with J. Pooler (Debtor), S. Hammonds (Debtor), L. Sample (Debtor), D. Quigley (Debtor), J. Levine (Debtor) and J. Wada (FTI) re: information to provide to trustee in initial meeting
06/17/04	Terrence Grossman	Managing Director	1.2	D	Final review of information to be provided to trustee in initial Debtor's meeting. Provide comments.
06/17/04	Terrence Grossman	Managing Director	1.5	A	Travel to Maine at 50% (three hours total).
06/17/04 Total			14.8		
06/18/04	Jarod Wada	Director	0.5	B	Review fee and expenses entries for June 2, 2004 to June 11, 2004.
06/18/04	Jarod Wada	Director	1.5	A	Travel time (to be billed to client at 50%).
06/18/04	Randall S. Eisenberg	SMD	0.5	D	Review various emails re: motions and issues pertaining to First Days Motion.
06/18/04	Randall S. Eisenberg	SMD	0.3	D	Discussion with T. Grossman (FTI) re: debrief on meeting with US Trustee and planning for Statements and Schedules.
06/18/04	Terrence Grossman	Managing Director	1.4	D	Preparation for Trustee meeting with J. Pooler (Debtor) and P. Caruso (S).
06/18/04	Terrence Grossman	Managing Director	0.8	D	Participate in meeting with Trustee.
06/18/04	Terrence Grossman	Managing Director	0.3	D	Discussion with R. Eisenberg (FTI) re: debrief on meeting with US Trustee and planning for Statements and Schedules.
06/18/04	Terrence Grossman	Managing Director	1.5	A	Travel to Maine at 50% (three hours total).
06/18/04 Total			6.8		
06/21/04	Jarod Wada	Director	1.1	B	Gather and review time for fee application.
06/22/04	Jarod Wada	Director	0.5	A	Conference call with T. Grossman (FTI) re: budget request for UCC via Akin Gump.
06/22/04	Jarod Wada	Director	0.7	A	Conversation with T. Grossman (FTI) re: Budget UCC.
06/22/04	Stephanie Newhall	Director	0.7	C	Review status of Pegasus SoFA/SoAL project and data collection efforts.
06/22/04	Terrence Grossman	Managing Director	0.8	A	Draft e-mail to R. Eisenberg re: retention order and budgeting requirements
06/22/04	Terrence Grossman	Managing Director	0.5	A	Conference call with J. Wada (FTI) re: Budget request for UCC via Akin Gump.
06/22/04	Terrence Grossman	Managing Director	0.7	A	Conversation with J. Wada (FTI) re: Budget UCC.
06/22/04 Total			3.9		
06/23/04	Jarod Wada	Director	0.8	B	Calculate estimated fees to T. Grossman (FTI) based upon budget.
06/23/04	Jarod Wada	Director	0.7	C	Work session with T. Grossman (FTI) re: revision of templates based on meetings.
06/23/04	Jarod Wada	Director	0.2	C	Review SoFA template for work session with T. Grossman (FTI).
06/23/04	Jarod Wada	Director	0.4	C	Review SOAL template for work session with T. Grossman (FTI).
06/23/04	Jarod Wada	Director	1.8	C	Participate and provide guidance in meeting with j. Pooler (Debtor), S. Hammond (Debtor), L. Sample (Debtor), T. Grossman (FTI), P. Caruso (SID) and Ellen Moring (SID) re: SoFA working session.
06/23/04	Jarod Wada	Director	1.1	C	Review work plan for Statements and Schedules and provide comments
06/23/04	Jarod Wada	Director	1.9	C	Participate and provide guidance in meeting with j. Pooler (Debtor), S. Hammond (Debtor), L. Sample (Debtor), T. Grossman (FTI), P. Caruso (SID) and Ellen Moring (SID) re: SOAL working session.
06/23/04	Randall S. Eisenberg	SMD	1.4	C	Review work plan for Statements and Schedules and provide comments.
06/23/04	Randall S. Eisenberg	SMD	0.3	C	Discussion with T. Grossman (FTI) re: Statements and Schedules.
06/23/04	Stephanie Newhall	Director	1.8	C	Call with J. Pooler, M. Eyer, S. Hammond, L. Samples (PEG), J. Wada (FTI) and T. Grossman (FTI) to discuss preparation of Pegasus SoFA/SoAL documents.
06/23/04	Terrence Grossman	Managing Director	0.3	C	Discussion with R. Eisenberg (FTI) re: Statements and Schedules.
06/23/04	Terrence Grossman	Managing Director	1.2	B	Develop FTI budget for various services through August for UCC.
06/23/04	Terrence Grossman	Managing Director	0.6	B	Review various drafts of budget for UCC after call with R. Eisenberg (FTI).
06/23/04	Terrence Grossman	Managing Director	0.7	C	Review SoFA template for work session and provide comments to J. Wada (FTI).
06/23/04	Terrence Grossman	Managing Director	0.8	C	Review SOAL template for work session and provide comments to J. Wada (FTI).
06/23/04	Terrence Grossman	Managing Director	1.8	C	Participate and provide guidance in meeting with j. Pooler (Debtor), S. Hammond (Debtor), L. Sample (Debtor), J. Wada (FTI), P. Caruso (SID), Ellen Moring (SID) re: SoFA working session

Date	Professional	Title	Hours	Task Code	Description
06/23/04	Terrence Grossman	Managing Director	1.9	C	Participate and provide guidance in meeting with J. Pooler (Debtor), S. Hammond (Debtor), L. Sample (Debtor), J. Wada (FTI), P. Caruso (SID) and Ellen Moring/SID) re: SOAL working session.
06/23/04	Terrence Grossman	Managing Director	0.7	C	Work session with J. Wada (FTI) re: revision of templates based on meetings.
06/23/04 Total			18.4		
06/24/04	Jarod Wada	Director	0.6	F	Review preliminary executory contract information provided by M. Eyer (Debtor).
06/24/04	Jarod Wada	Director	1.1	C	Revise SoFA and SOAL templates send to S. Newhall (FTI) and T. Grossman (FTI) for review.
06/24/04	Stephanie Newhall	Director	1.1	C	Review revised SoFA and SOAL templates with J. Wada(FTI) and T. Grossman (FTI).
06/24/04	Stephanie Newhall	Director	0.6	C	Review contract data as collected thus far and prepare for call to determine revisions to content and format.
06/24/04	Terrence Grossman	Managing Director	1.1	C	Review revised SoFA and SOAL templates. Provide comments to J. Wada(FTI) and S. Newhall (FTI).
06/24/04	Terrence Grossman	Managing Director	0.9	C	Draft e-mail to J. Pooler (Debtor) and P. Caruso (Sidley) re: clarification of Insider payment definition and disclosure on SOAL.
06/24/04 Total			5.4		
06/25/04	Jarod Wada	Director	0.4	A	Compile detailed time to date for FTI engagement team.
06/25/04	Jarod Wada	Director	0.9	C	Discuss open items with B. Gruchacz (Debtor), S. Hammond (Debtor), L. Samples (Debtor), and J. Levine (Debtor).
06/25/04	Terrence Grossman	Managing Director	0.9	C	Review split dollar policy agreements.
06/25/04	Terrence Grossman	Managing Director	0.7	C	Draft e-mail to R. Gucharcz (Debtor) classification of split dollar agreements on SOAL.
06/25/04	Terrence Grossman	Managing Director	0.4	C	Draft e-mail to J. Pooler (Debtor) re: strategy on executory contract assumption.
06/25/04 Total			3.3		
06/28/04	Jarod Wada	Director	0.8	C	Review additional executory contract information as provided by M. Eyer (Debtor).
06/28/04	Jarod Wada	Director	0.4	C	Discuss questions regarding presentation of payments in SoFA with P. Caruso (Sidley).
06/28/04	Stephanie Newhall	Director	0.6	C	Review types of contracts collected thus far by Pegasus.
06/28/04	Stephanie Newhall	Director	0.5	C	Review issues per T. Grossman (FTI) with contract content.
06/28/04	Stephanie Newhall	Director	0.5	C	Review real property template and determine needed fields of information for analysis purposes.
06/28/04	Stephanie Newhall	Director	0.8	C	Advise M. Eyer (PEG) on contract content and various formatting issues and discuss real property contracts.
06/28/04 Total			3.6		
06/29/04	Jarod Wada	Director	0.6	C	Gather and develop draft of Schedule D information for Company/Debtors review.
06/29/04	Jarod Wada	Director	0.8	C	Gathered and develop preliminary drafts of some SOFA schedules to be distributed to Company for review.
06/29/04	Jarod Wada	Director	0.5	C	Arrange for status call between FTI and Debtors.
06/29/04 Total			1.9		
06/30/04	Jarod Wada	Director	0.6	C	Revise list of outstanding information for SoFA and SOAL.
06/30/04	Jarod Wada	Director	0.9	C	Distribute and communicate list of outstanding information for SoFA and SOAL. Identify and notice responsible party within Debtor.
06/30/04	Jarod Wada	Director	2.0	A	Travel time (to be billed to client at 50%).
06/30/04	Stephanie Newhall	Director	0.6	C	Review document issues/concerns with dealer agreements and communicate to J. Knowles (Sidley).
06/30/04 Total			4.1		
07/01/04	Jarod Wada	Director	1.9	C	Review and integrate updated information for Pegasus Satellite Communications and Pegasus Media & Communications.
07/01/04	Jarod Wada	Director	1.3	C	Review and integrate updated information for Pegasus Satellite Television.
07/01/04	Jarod Wada	Director	1.2	C	Review and integrate updated information for Pegasus Broadcast Television.
07/01/04	Jarod Wada	Director	0.5	C	Call to discuss status of data collection for Schedules of Liability with J. Pooler (Pegasus), S. Hammond (Pegasus) and S. Newhall (FTI).

Date	Professional	Title	Hours	Task Code	Description
07/01/04	Jarod Wada	Director	0.4	C	Review, analyze and segregate by Debtor, real estate property information provided by M. Eyer (Pegasus).
07/01/04	Stephanie Newhall	Managing Director	0.7	C	Prepare matrix regarding all liabilities to be collected and status of information collected thus far.
07/01/04	Stephanie Newhall	Managing Director	0.7	C	Review data received from S. Hammond regarding pre-petition liabilities for PST.
07/01/04	Stephanie Newhall	Managing Director	0.5	C	Call to discuss status of data collection for Schedules of Liability with J. Pooler, S. Hammond (Pegasus) and J. Wada (FTI).
07/01/04	Stephanie Newhall	Managing Director	0.8	C	Review executory contract information collected.
07/01/04	Stephanie Newhall	Managing Director	0.4	C	Discuss dealer contracts with and confidentiality issues with scheduling such contracts J. Knowles (Sidley).
07/01/04	Terrence Grossman	Managing Director	0.7	C	Draft several e-mails to J. Pooler (Pegasus) re: employee payment disclosure on SOAL.
07/01/04	Terrence Grossman	Managing Director	0.6	C	Draft e-mail to J. Pooler (Pegasus) P. Caruso (Sidley) re: Further clarification of Insider payment definition and disclosure on SOAL and potential alternatives.
07/01/04 Total			9.7		
07/02/04	Jarod Wada	Director	0.6	B	Review preliminary information for June time and expenses.
07/02/04	Jarod Wada	Director	0.6	C	Discuss company information that may be considered confidential/proprietary with T. Grossman (FTI) and S. Newhall (FTI).
07/02/04	Jarod Wada	Director	1.3	C	Work session with T. Grossman (FTI) re: Sofa status, provide guidance on certain issues raised during 7/1 meeting and process going forward.
07/02/04	Jarod Wada	Director	1.1	C	Work session with T. Grossman (FTI) re: SOAL status, provide guidance on certain issues raised during 7/1 meeting and process going forward.
07/02/04	Jarod Wada	Director	2.0	A	Travel time (to be billed to client at 50%).
07/02/04	Stephanie Newhall	Managing Director	0.7	C	Identify real property leases among executory contract listings.
07/02/04	Stephanie Newhall	Managing Director	0.7	C	Review executory contract real property and personal property templates used to collect information for liabilities and contract analysis.
07/02/04	Stephanie Newhall	Managing Director	0.5	C	Discuss litigation liabilities and real property executory contract information with M. Eyer (Pegasus).
07/02/04	Stephanie Newhall	Managing Director	0.6	C	Discuss company information that may be considered confidential/proprietary with T. Grossman (FTI) and J. Wada (FTI).
07/02/04	Terrence Grossman	Managing Director	1.3	C	Work session with J. Wada (FTI) re: SoFA status, provide guidance on certain issues raised during 7/1 meeting, regarding classification of liabilities and disclosure of inter-company payments.
07/02/04	Terrence Grossman	Managing Director	1.1	C	Work session with J. Wada (FTI) re: SOAL status, provide guidance on certain issues raised during 7/1 meeting with Debtor.
07/02/04	Terrence Grossman	Managing Director	0.6	C	Provide guidance to S. Newhall (FTI) and J. Wada (FTI) re: executory contract information required, disclosure of and footnotes for dealer and customer agreements.
07/02/04	Terrence Grossman	Managing Director	0.7	C	Conversation with J. Pooler (Pegasus) re: status of and issues with SoFA and SOAL.
07/02/04 Total			11.8		
07/04/04	Stephanie Newhall	Managing Director	0.5	C	Review unsecured liabilities received from PBT.
07/04/04	Stephanie Newhall	Managing Director	0.7	C	Review secured debt information for PSC and PM&C.
07/04/04	Stephanie Newhall	Managing Director	0.8	C	Review outstanding bond indentures and accrued interest.
07/04/04 Total			2.0		
07/06/04	Jarod Wada	Director	1.6	C	Review updated SoFA schedules and comment back to Pegasus.
07/06/04	Jarod Wada	Director	0.9	C	Work Session with T. Grossman (FTI) re: provide guidance on outstanding issues with SoFA. Discuss insider and payroll issues.
07/06/04	Jarod Wada	Director	1.1	C	Review updated SoAL schedules and comment back to Pegasus.
07/06/04	Sarah Andersen	Consultant	0.5	C	Discuss with S. Newhall (FTI) the plan for scheduling Pegasus liabilities.
07/06/04	Sarah Andersen	Consultant	0.4	C	Discuss with S. Newhall (FTI) re: Top 50 unsecured creditor listings.
07/06/04	Sarah Andersen	Consultant	0.4	C	Load into CMS the LK_DET_CASE_NUM table, which stores all Pegasus entities' case information.

Date	Professional	Title	Hours	Task Code	Description
07/06/04	Sarah Andersen	Consultant	1.0	C	Create list for research by the Company of vendors already in CMS from the preparation of the Creditor Matrix that are missing address information.
07/06/04	Sarah Andersen	Consultant	0.4	C	Create list for Company verification of vendors that share names but have multiple addresses.
07/06/04	Sarah Andersen	Consultant	0.8	C	Create list of entities on the Top 50 Creditors List that are not represented in the provided liability data files.
07/06/04	Sarah Andersen	Consultant	0.5	C	Create excel file for S Newhall (FTI) of all the outstanding issues related to the Top 50 list.
07/06/04	Stephanie Newhall	Managing Director	0.5	C	Discuss Pegasus debtors, liabilities and timeline for filing schedules with S. Andersen (FTI).
07/06/04	Stephanie Newhall	Managing Director	0.9	C	Review liability information received from L. Samples (Pegasus) regarding PSC and PM&C.
07/06/04	Stephanie Newhall	Managing Director	0.2	C	Discuss GSS versus PST liabilities with S. Hammond (Pegasus).
07/06/04	Stephanie Newhall	Managing Director	0.4	C	Advise S. Andersen (FTI) on identifying any creditors on the TOP 50 unsecured creditors listing that have not yet been received in the Company submissions.
07/06/04	Stephanie Newhall	Managing Director	0.4	C	Review debtor breakdown information received from S. Hammond (Pegasus).
07/06/04	Stephanie Newhall	Managing Director	0.8	C	Review list of missing Top 50 creditors.
07/06/04	Terrence Grossman	Managing Director	1.2	C	Review updated status sheet of SoFA, SOAL. Comment on Outstanding technical and procedural issues.
07/06/04	Terrence Grossman	Managing Director	0.9	C	Work Session with J. Wada (FTI) re: provide guidance on outstanding issues with SoFA. Discuss insider and payroll issues.
07/06/04 Total					
07/07/04	Jarod Wada	Director	12.9	C	Review example disclosure footnotes and establish guidelines for Pegasus general footnotes.
07/07/04	Jarod Wada	Director	1.6	C	Review litigation schedule from M. Eyer (Pegasus).
07/07/04	Jarod Wada	Director	1.1	C	Gather and provide PSC term loan participants to S. Newhall (FTI).
07/07/04	Jarod Wada	Director	0.4	C	Discuss open/missing items on Litigation Summary with M. Eyer (Pegasus).
07/07/04	Jarod Wada	Director	0.6	C	Create and distribute updated open items list to each responsible party within Pegasus.
07/07/04	Randall S. Eisenberg	Sr. Managing Director	1.5	C	Review status of Statements & Schedules and discuss with Terrence Grossman (FTI).
07/07/04	Sarah Andersen	Consultant	0.5	C	Compare lease data file to AP file to see if any leases show up as payables instead.
07/07/04	Sarah Andersen	Consultant	0.8	C	Search on PACER the court documents looking for tax issue clarification as well as instructions for mailings.
07/07/04	Sarah Andersen	Consultant	1.1	C	Discuss with S Newhall (FTI) guidelines for scheduling liabilities on Schedules D and F.
07/07/04	Sarah Andersen	Consultant	0.5	C	Load all existing liability data files into Oracle for preparation of Schedules.
07/07/04	Sarah Andersen	Consultant	1.4	C	Create all required records in CMS to appropriately schedule liabilities.
07/07/04	Stephanie Newhall	Managing Director	2.2	C	Discuss with S Andersen (FTI) guidelines for scheduling liabilities on Schedules D and F.
07/07/04	Stephanie Newhall	Managing Director	0.9	C	Review PSC term loan participants list.
07/07/04	Stephanie Newhall	Managing Director	0.8	C	Review PBT payables file to identify any outstanding lease payments.
07/07/04	Stephanie Newhall	Managing Director	1.1	C	Review litigation schedule from M. Eyer (Pegasus).
07/07/04	Terrence Grossman	Managing Director	1.3	C	Review past SoFA, SOAL disclosures for general footnotes and disclosures. Begin drafting footnotes for Debtor Schedules.
07/07/04	Terrence Grossman	Managing Director	0.5	C	Review status of Statements & Schedules and discuss with R. Eisenberg (FTI).
07/07/04 Total					
07/08/04	Jarod Wada	Director	16.8	C	Work Session with T. Grossman (FTI) S. Newhall (FTI) re: review of draft SOAL / SoFA. Status of open items/ disclosure requirements.
07/08/04	Jarod Wada	Director	1.5	C	Update list of outstanding information and discuss with each responsible party from Pegasus.
07/08/04	Jarod Wada	Director	1.6	C	Reconcile professional time for month of June for fee application.
07/08/04	Jarod Wada	Director	1.8	A	Develop first draft of fee application document.
07/08/04	Sarah Andersen	Consultant	1.6	A	Create schedule drafts for PSC and PM&C and review for completeness.
07/08/04	Sarah Andersen	Consultant	1.6	C	Discuss with S. Newhall (FTI) re: preparation of draft schedules for PSC and PM&C.
07/08/04	Sarah Andersen	Consultant	0.4	C	Review litigation document to determine which are open cases that require scheduling on Schedule F.
07/08/04	Sarah Andersen	Consultant	1.0	C	Discuss issues/questions regarding PBT liabilities and general accruals with J. Levine (Pegasus).
07/08/04	Stephanie Newhall	Managing Director	0.5	C	Advise S. Andersen (FTI) on preparation of draft schedules for PSC and PM&C.
07/08/04	Stephanie Newhall	Managing Director	0.4	C	