

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE**

In re:)	Chapter 11
)	
PEGASUS SATELLITE TELEVISION, INC.,)	Case No. 04-20878 (JBH)
<u>et al.</u> ,)	
)	(Jointly Administered)
Debtors. ¹)	

**ORDER DIRECTING PAYMENT OF PREPAYMENT PREMIUM,
ACCRUED DEFAULT INTEREST AND INTEREST ON PREPAYMENT
PREMIUM AND DEFAULT INTEREST AT THE POST-DEFAULT RATE
UNDER THE PEGASUS JUNIOR TERM LOAN AGREEMENT**

Upon the motion² dated October 15, 2004 of Wilmington Trust for entry of an order directing the payment of the (i) Prepayment Premium, (ii) Default Interest, and (iii) Interest on the Default Interest and the Prepayment Premium at the Post-Default Rate (the “Motion”); and notice of the Motion having been given to all parties as required by the Order Establishing Case Management Procedures, as modified by the Order Granting the Joint Motion of the Junior Lenders and the Steering Committee of Senior Secured Lenders to Limit Notice Pursuant to Bankruptcy Rule 9007; 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

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. (“PM&C”), Pegasus Satellite Communications, Inc. (“PSC”), 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.

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

appearing that this is a core proceeding pursuant to 28 U.S.C. § 157; and this Court having held a hearing on November 8, 2004, to consider the Motion; and all parties in interest having had an opportunity to be heard with respect to the Motion at that time; and it appearing that the requested relief is reasonable and proper; and good cause having been shown, and due deliberation having been given; it is hereby

ORDERED, that the Motion is granted; and it is further

ORDERED, that any responses or objections to the entry of this Order or the relief requested in the Motion, not previously withdrawn, waived, resolved, or settled, and all reservations of rights included therein, are hereby denied and overruled on the merits with prejudice; and it is further

ORDERED, that the Debtors shall pay the (i) Default Interest, (ii) the Prepayment Premium and (iii) interest on the Default Interest and the Prepayment Premium at the Post-Default Rate to Wilmington Trust within one business day of the entry of this Order; and it is further

ORDERED, that the Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Order.

Dated: Portland, Maine
November ____, 2004

UNITED STATES BANKRUPTCY JUDGE