

Hearing  
Date: 2/24/05  
Time: 10:30 a.m.  
Mode: Live  
Place: Portland  
Objection Date: 2/18/05

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MAINE**

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

**SECOND INTERIM FEE APPLICATION OF AKIN GUMP STRAUSS HAUER & FELD LLP  
FOR THE PERIOD FROM SEPTEMBER 1, 2004 THROUGH NOVEMBER 30, 2004**

Name of Applicant: Akin Gump Strauss Hauer & Feld LLP  
Authorized to Provide Professional Services to: Official Committee of Unsecured Creditors  
Date of Retention: July 13, 2004 (nunc pro tunc to June 2, 2004)  
Amount of Compensation Sought  
as Actual, Reasonable and Necessary: \$788,556.50  
Amount of Expense Reimbursement  
Sought as Actual, Reasonable and Necessary: \$57,775.72  
This is a(n):  X  interim \_\_\_\_\_ final application.

**Monthly Fee Statements:**

<b><u>Date</u></b>	<b><u>Period Covered</u></b>	<b><u>Amount</u></b>	<b><u>Status</u></b>
November 3, 2004	9/1/04-9/30/04	\$218,044.75 - Fees \$26,048.32 - Expenses	Certificate of No Objection Filed on 11/23/04
November 29, 2004	10/1/04-10/31/04	\$343,172.00 - Fees \$17,882.36 - Expenses	Certificate of No Objection Filed on 12/20/04
January 4, 2005	11/1/04-11/30/04	\$227,339.75 - Fees \$13,845.04 - Expenses	If no objections are received, a Certificate of No Objection will be filed on 01/24/05

**SUMMARY OF TIME ON INTERIM FEE APPLICATION  
SEPTEMBER 1, 2004 THROUGH NOVEMBER 30, 2004**

<b>PARTNERS</b>	<b>DEPARTMENT</b>	<b>STATE OF BAR ADMISSION – YEAR</b>	<b>HOURS</b>	<b>RATE</b>	<b>AMOUNT</b>
Stephen M. Baldini	Litigation	New York – 1990	51.50	\$525.00	\$27,037.50
David H. Botter	Financial Restructuring	New York – 1990	192.20	\$575.00	\$110,515.00
Tom Davidson	Telecommunications	Wisconsin – 1977	70.20	\$550.00	\$38,610.00
Daniel H. Golden	Financial Restructuring	New York – 1978	74.40	\$775.00	\$57,660.00
Douglas W. Killip	Tax	New York – 1988	32.00	\$550.00	\$17,600.00
Douglass Maynard	Litigation	New York – 1987	0.60	\$575.00	\$315.00
Russell W. Parks	Corporate	New York – 1973	98.20	\$600.00	\$58,920.00
Russell L. Reid	Financial Restructuring	Texas – 1989	43.60	\$675.00	\$29,430.00
Adrienne Scerbak	ERISA	New York – 1993	1.70	\$500.00	\$850.00
<b>COUNSEL</b>	<b>DEPARTMENT</b>	<b>STATE OF BAR ADMISSION – YEAR</b>	<b>HOURS</b>	<b>RATE</b>	<b>AMOUNT</b>
Patrick M. Cox	Tax	New York – 1997	2.00	\$440.00	\$880.00
Philip C. Dublin	Financial Restructuring	New York – 1999	157.70	\$450.00	\$70,965.00
Phillip Marchesiello	Telecommunications	Maryland – 1997	0.60	\$365.00	\$219.00
Erica D. McGrady	Corporate	Ohio – 1997	148.10	\$395.00	\$58,499.50
Sean O'Donnell	Litigation	New York – 1997	8.60	\$415.00	\$3,569.00
Brian G. Rosen	Real Estate	New Jersey – 1992	8.90	\$405.00	\$3,604.50
<b>ASSOCIATES</b>	<b>DEPARTMENT</b>	<b>STATE OF BAR ADMISSION – YEAR</b>	<b>HOURS</b>	<b>RATE</b>	<b>AMOUNT</b>
Heidi Anderson	Telecommunications	District of Columbia – 2001	24.50	\$255.00	\$6,247.50
Bernard K. Asirifi	Corporate	Not Yet Admitted	22.20	\$205.00	\$4,551.00
Tess Autrey Boshier	Litigation	New York – 2002	42.70	\$300.00	\$12,810.00
Gabrielle Duval	Financial Restructuring	Maryland – 2000	5.10	\$350.00	\$1,785.00
Rachael L. Gerstein	Litigation	New York – 2001	0.60	\$325.00	\$195.00
Nava Hazan	Financial Restructuring	New York – 2000	368.50	\$425.00	\$156,612.50

<b>ASSOCIATES</b>	<b>DEPARTMENT</b>	<b>STATE OF BAR ADMISSION – YEAR</b>	<b>HOURS</b>	<b>RATE</b>	<b>AMOUNT</b>
Joseph P. Kamnik	Financial Restructuring	District of Columbia – 2003	204.80	\$285.00	\$58,368.00
Samenna Karmally	Corporate	Not Yet Admitted	48.00	\$285.00	\$9,840.00
Karen Milne	Telecommunications	Not Yet Admitted	77.40	\$205.00	\$15,867.00
Lori J. Pennay	Labor	New York – 2001	4.00	\$325.00	\$1,300.00
Mark E. Ricardo	Real Estate	District of Columbia – 1998	12.50	\$355.00	\$4,437.50
Dharmesh Vashee	Financial Restructuring	Virginia – 2002	37.50	\$240.00	\$9,000.00
Chritshy Vidal	Corporate	Virginia – 2002	40.30	\$255.00	\$10,276.50
<b>LEGAL ASSISTANTS</b>	<b>DEPARTMENT</b>		<b>HOURS</b>	<b>RATE</b>	<b>AMOUNT</b>
Matthew Cannata	Financial Restructuring		7.90	\$155.00	\$1,224.50
Susana Fernandez-Herrero	Telecommunications		20.70	\$160.00	\$3,312.00
Cynthia Fitzpatrick	Financial Restructuring		5.00	\$165.00	\$825.00
Tamera L. Harris	Financial Restructuring		0.50	\$125.00	\$62.50
I. Sarah Hwang	Financial Restructuring		29.50	\$165.00	\$4,867.50
Stacie K. Joyner	Corporate		3.10	\$160.00	\$496.00
Lauren Lee	Financial Restructuring		20.70	\$155.00	\$3,208.50
Peter J. Sprofera	Financial Restructuring		22.20	\$180.00	\$3,996.00
Melissa Tilney	Litigation		4.00	\$150.00	\$600.00
<b>TOTAL</b>			<b>1,892.00</b>		<b>\$788,556.50</b>

**COMPENSATION BY PROJECT CATEGORY  
FOR THE PERIOD SEPTEMBER 1, 2004 THROUGH NOVEMBER 30, 2004**

<b>Project Category</b>	<b>Total Hours</b>	<b>Total Fees</b>
General Case Administration	56.40	\$25,309.50
Akin Gump Fee Application/Monthly Billing Reports	58.90	\$18,006.50
Analysis of Other Professionals Fee Applications/Reports	25.40	\$7,011.50
Review of Debtors' Schedules and SOFAs	1.60	\$680.00
Retention of Professionals	3.00	\$1,208.00
Creditors Committee Meetings	35.50	\$20,756.00
Court Hearings	16.00	\$8,510.00
DIP, Cash Collateral and Exit Financing	456.50	\$182,404.50
Executory Contracts/License Agreements	40.70	\$15,081.50
Claims Analysis/Claims Objections	1.90	\$845.00
Analysis of Prepetition Transactions	2.20	\$1,012.50
Analysis of Secured Claims/Adequate Protection Issues	292.70	\$126,810.50
Tax Issues	34.50	\$18,713.50
Labor Issues/Employee Issues	91.00	\$41,197.50
Real Estate Issues/Leases	16.50	\$5,946.50
Exclusivity	8.00	\$3,383.50
Plan and Disclosure Statement	47.80	\$21,770.00
Asset/Stock Transactions/Business Liquidations	552.50	\$237,742.50
Travel (Billed at 50% of Actual Time)	14.50	\$7,512.50
FCC Matters	136.40	\$44,656.50
<b>TOTAL</b>	<b>1,892.00</b>	<b>\$788,556.50</b>

**EXPENSE SUMMARY**  
**SEPTEMBER 1, 2004 THROUGH NOVEMBER 30, 2004**

COURIER SERVICE/POSTAGE	\$502.44
LONG DISTANCE TELEPHONE/CONFERENCE CALLS	\$7,649.94
DUPLICATING/OUTSIDE DUPLICATING	\$3,632.25
FACSIMILE	\$21.25
MEALS/COMMITTEE MEETING EXPENSES	\$3,810.58
SECRETARIAL OVERTIME	\$37.37
TRANSCRIPTS	\$2,836.18
MISCELLANEOUS	\$204.00
TRAVEL EXPENSES	\$26,659.95
COMPUTERIZED RESEARCH/CORPORATE SERVICE FEES	\$12,421.76
<b>TOTAL</b>	<b>\$57,775.72</b>

**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)

**SECOND INTERIM APPLICATION FOR COMPENSATION AND  
REIMBURSEMENT OF EXPENSES OF AKIN GUMP STRAUSS HAUER & FELD LLP  
AS CO-COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

NOW COMES Akin Gump Strauss Hauer & Feld LLP (the “Applicant” or “Akin Gump”), as co-counsel to the Official Committee of Unsecured Creditors (the “Committee”) of Pegasus Satellite Television, Inc., et al.<sup>1</sup> the above-captioned debtors (the “Debtors”), pursuant to 11 U.S.C. § 330, F.R. Bankr. P. 2016 and D. Me. LBR 2016-1, and makes this Application for an award of \$788,556.50 for fees, and \$57,775.72 for reimbursement of expenses (the “Fee Application”).

INTRODUCTION

In support of the Fee Application, the Applicant states as follows:

1. On June 2, 2004 (the “Petition Date”), the Debtors commenced these Chapter 11 cases by each filing a voluntary petition for relief under Chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”).
2. The Debtors are continuing in possession of their properties and are operating and maintaining their businesses as debtors-in-possession pursuant to sections 1107(a) and 1108 of the

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<sup>1</sup> 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.

Bankruptcy Code. No request has been made for the appointment of a trustee or examiner in these cases.

### BASIS FOR THE APPLICATION

3. 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. On June 14, 2004, the U.S. Trustee filed an Amended Notice of Appointment of Creditors Committee, adding one additional committee member. On October 4, 2004, one of the committee members, Singer Children Management Trust and Affiliates, resigned from the Committee. On October 29, 2004, another committee member, LC Capital Master Fund, Ltd., resigned from the Committee. On November 4, 2004, the U.S. Trustee filed an Amended Notice of Appointment of Creditors Committee, adding one additional committee member. The Committee currently consists of five members.<sup>2</sup> 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”). In particular, and as more fully set forth in the Retention Application, Applicant received approval to advise the Debtors with respect to the following matters:

- A. advising the Committee with respect to its rights, duties and powers in these Chapter 11 cases;
- B. assisting and advising the Committee in its consultations with the Debtors relative to the administration of these Chapter 11 cases;

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<sup>2</sup> The Committee is comprised of the following entities: Wachovia Bank, as Indenture Trustee; JP Morgan Bank, as Indenture Trustee; HSBC Bank USA, as Successor Indenture Trustee; Silver Point Capital and affiliates; and Sandell Asset Management Corp.



- C. assisting the Committee in analyzing the claims of the Debtors' creditors and the Debtors' capital structure and in negotiating with holders of claims and equity interests;
- D. assisting the Committee in its investigation of the acts, conduct, assets, liabilities and financial condition of the Debtors and of the operation of the Debtors' businesses;
- E. assisting the Committee in its analysis of, and negotiations with, the Debtors or any third party concerning matters related to, among other things, the assumption or rejection of certain leases of non-residential real property and executory contracts, asset dispositions, financing of other transactions and the terms of one or more plans of reorganization for the Debtors and accompanying disclosure statements and related plan documents;
- F. assisting and advising the Committee as to its communications to the general creditor body regarding significant matters in these Chapter 11 cases;
- G. representing the Committee at all hearings and other proceedings;
- H. reviewing and analyzing applications, orders, statements of operations and schedules filed with the Court and advising the Committee as to their propriety, and to the extent deemed appropriate by the Committee, support, join or object thereto;
- I. assisting the Committee in lobbying, if appropriate;
- J. assisting the Committee in preparing pleadings and applications as may be necessary in furtherance of the Committee's interests and objectives;
- K. preparing, on behalf of the Committee, any pleadings, including without limitation, motions, memoranda, complaints, adversary complaints, objections or comments in connection with any of the foregoing;
- L. investigating and analyzing any claims against the Debtors' non-debtor affiliates; and
- M. performing such other legal services as may be required or are otherwise deemed to be in the interests of the Committee in accordance with the Committee's powers and duties as set forth in

the Bankruptcy Code, the Bankruptcy Rules or other applicable law.

Applicant's retention was approved by this Court by order dated July 13, 2004.

4. On June 24, 2004, this Court entered that certain Order Under §§ 331 and 105(a) Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals (the "Interim Compensation Order"). Pursuant to the procedures set forth in the Interim Compensation Order, professionals may apply for monthly compensation and reimbursement (each such statement, a "Monthly Fee Statement"), and the notice parties listed in the Interim Compensation Order may object to such request. If no notice party objects to a professional's Monthly Fee Statement within twenty (20) days after the date of service of the Monthly Fee Statement, the applicable professional may submit to the Court a certificate of no objection, whereupon the Debtors are authorized to pay interim compensation and reimbursement of 90% of the fees and 100% of the expenses requested.

5. The Interim Compensation Order also provides that professionals are to file and serve upon the notice parties a 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.

6. Applicant has filed the following Monthly Fee Statements for interim compensation and reimbursement of expenses for this Interim Fee Application:

{W0314321.1}

(a) Statement of Fees for Services Rendered and Expenses Incurred by Akin Gump as Co-Counsel to the Official Committee of Unsecured Creditors for the Period Beginning September 1, 2004 and Ending September 30, 2004, filed November 3, 2004 (the “September Fee Statement”);

(b) Statement of Fees for Services Rendered and Expenses Incurred by Akin Gump as Co-Counsel to the Official Committee of Unsecured Creditors for the Period Beginning October 1, 2004 and Ending October 31, 2004, filed November 29, 2004 (the “October Fee Statement”); and

(c) Statement of Fees for Services Rendered and Expenses Incurred by Akin Gump as Co-Counsel to the Official Committee of Unsecured Creditors for the Period Beginning November 1, 2004 and Ending November 30, 2004, filed January 4, 2004 (the “November Fee Statement”).

Applicant also filed its first Interim Fee Application on October 21, 2004. An order approving the first Interim Fee Application was entered by the Court on November 26, 2004.

7. The period for objecting to the fees and expense reimbursement requested in the September and October Fee Statements passed without any objections being filed, whereupon the Applicant filed a certificate of no objection with the Court and the Debtors paid interim compensation and reimbursement of 90% of the fees and 100% of the expenses Applicant had requested. The period for objecting to the fees for the November Fee Statement ends on January 24, 2004 and a Certificate of No Objection will be filed on January 24, 2004 if no objections are filed. Thus, payment of the November Fee Statement has not been made as of the date of this Application.

8. Applicant received no payment and no promises for payment from any other source for services rendered in these Chapter 11 cases. There is no agreement between Applicant and any other party for the sharing of compensation to be received for the services rendered by the Applicant

in these Chapter 11 cases. All professional and paraprofessional services for which compensation is sought herein were rendered solely on behalf of the Committee in these cases.

9. This is the second Interim Fee Application for compensation for services rendered and expenses incurred that the Applicant has filed with the Court in connection with these Chapter 11 cases, which covers the period from September 1, 2004 through November 30, 2004, inclusive.

**RELIEF REQUESTED**

10. By this Interim Fee Application, Applicant respectfully requests that the Court approve the interim allowance and award compensation for professional services rendered and reimbursement of actual and necessary expenses incurred by Applicant as co-counsel to the Official Committee of Unsecured Creditors between September 1, 2004 and November 30, 2004. The amount of fees sought for services rendered during this period is \$788,556.50, representing 1,892.00 hours of professional and paraprofessional time for such services, and reimbursement of actual and necessary expenses incurred by Applicant during said period in connection with these services is requested in the amount of \$57,775.72, less any amounts previously paid to Applicant pursuant to the procedures set forth in the Interim Compensation Order. The professional services provided and the actual and necessary expenses incurred are fully described in the September Fee Statement, the October Fee Statement and the November Fee Statement, which are docketed on the Court's docket as docket nos. 687, 803 and 868 respectively.

11. Applicant submits that the services performed by its professionals and paraprofessionals, specified in detail in the September Fee Statement, October Fee Statement and November Fee Statement, and briefly described below, were necessary and have directly contributed to the effective administration of these Chapter 11 cases. A brief description of the services performed by the Applicant is as follows the following:

- General Case Administration. Attorneys and paraprofessionals of the Applicant spent 56.40 hours, at a cost of \$25,309.50 (a blended rate of \$448.75 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 58.90 hours, at a cost of \$18,006.50 (a blended rate of \$305.71 per hour), on preparation of the Monthly Fee Statements and the first Interim Fee Application.
- Analysis of Other Professionals Fee Applications/Reports. Attorneys and paraprofessionals of the Applicant spent 25.40 hours, at a cost of \$7,011.50 (a blended rate of \$276.04 per hour), on review and analysis of fee statements and/or applications of other professionals.
- Review of Debtors' Schedules and SOFAs. Attorneys of the Applicant spent 1.60 hours, at a cost of \$680.00 (a blended rate of \$425.00), on review of Debtors' Schedules and Statements of Financial Affairs.
- Retention of Professionals. Attorneys and paraprofessionals of the Applicant spent 3.00 hours, at a cost of \$1,208.00 (a blended rate of \$402.66), on the preparation of a supplement to Akin Gump's retention application and on reviewing of retention applications filed by the Debtors.
- Creditor Committee Meetings. Attorneys and paraprofessionals of the Applicant spent 35.50 hours, at a cost of \$20,756.00 (a blended rate of \$584.67 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 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 16.00 hours, at a cost of \$8,510.00 (a blended rate of \$531.87 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-analysis of hearings held.

- DIP, Cash Collateral and Exit Financing. Attorneys and paraprofessionals of the Applicant spent 456.50 hours, at a cost of \$182,404.50 (a blended rate of \$399.57), 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 and paraprofessionals of the Applicant spent 40.70 hours, at a cost of \$15,081.50 (a blended rate of \$370.55 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 1.90 hours, at a cost of \$845.00 (a blended rate of \$444.73 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 paraprofessionals of the Applicant spent 2.20 hours, at a cost of \$1,012.50 (a blended rate of \$460.22 per hour), on review and analysis of the Debtors' prepetition transactions and operations.
- Analysis of Secured Claims / Adequate Protection Issues. Attorneys and paraprofessionals of the Applicant spent 292.70 hours, at a cost of \$126,810.50 (a blended rate of \$433.24 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.
- Tax Issues. Attorneys and paraprofessionals of the Applicant spent 34.50 hours, at a cost of \$18,713.50 (a blended rate of \$542.42 per hour), on tax issues relating to various plan restructuring alternatives.
- Labor Issues/Employee Issues. Attorneys and paraprofessionals of the Applicant spent 91.00 hours, at a cost of \$41,197.50 (a blended rate of \$452.71 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 16.50 hours, at a cost of \$5,946.50 (a blended rate of \$360.39 per hour), on review and analysis of real estate issues.

- Exclusivity. Attorneys of the Applicant spent 8.00 hours, at a cost of \$3,383.50 (a blended rate of \$422.93 per hour), on issues related to the extension of the exclusive periods.
- Plan and Disclosure Statement. Attorneys and paraprofessionals of the Applicant spent 47.80 hours, at a cost of \$21,770.00 (a blended rate of \$455.43 per hour), on reviewing and commenting on the Debtors' first draft of a proposed plan and disclosure statement.
- Asset/Stock Transactions. Attorneys and paraprofessionals of the Applicant spent 552.50 hours, at a cost of \$237,742.50 (a blended rate of \$430.30 per hour), 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 the sale of the Debtors' broadcast assets and continuously communicated with the Committee with respect to such negotiations.
- Travel Time. Attorneys of the Applicant spent 14.50 hours, at a cost of \$7,512.50 (a blended rate of \$518.10 per hour), on travel. All of Akin Gump's billed travel time is reduced by 50%.
- FCC Matters. Attorneys and paraprofessionals of the Applicant spent 136.40 hours, at a cost of \$44,656.50 (a blended rate of \$327.39 per hour), on regulatory matters related, among other things, to the sale of the Debtors' broadcast assets.

12. Applicant further submits that the hourly rates charged by its professionals and paraprofessionals 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 those charged by the bankruptcy and other professionals of other firms of comparable size, stature, and experience.

13. A breakdown of the hours expended by each of Applicant's professionals and paraprofessionals on the individual matters in these cases is contained on the September Fee Statement, October Fee Statement and November Fee Statement filed with this Court and docketed as docket nos. 687, 803 and 868 respectively.

### NOTICE

14. Notice of this Interim Fee Application has been served upon the Notice Parties. Such notice is in accordance with the procedures set forth in the Interim Compensation Order.

**NO PRIOR REQUEST**

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

WHEREFORE, after appropriate notice and hearing, Akin Gump Strauss Hauer & Feld LLP respectfully requests the Court to (i) approve, pursuant to 11 U.S.C. §§ 327, 331 and 503, interim compensation in the amount of \$788,556.50 and reimbursement of expenses in the amount of \$57,775.72, less any amounts previously paid to the Applicant pursuant to the procedures set forth in the Interim Compensation Order, (ii) authorize the Debtors to remit to Applicant any amounts due and owing in accordance with the Interim Compensation Order, and (iii) grant such other and further relief as is just and proper.

Dated: New York, New York  
January 28, 2004

**AKIN GUMP STRAUSS HAUER & FELD LLP**

*/s/ David H. Botter*

\_\_\_\_\_  
David H. Botter  
590 Madison Avenue  
New York, New York 10022-2524  
(212) 872-1000

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