

DESCRIPTION OF CORPORATE REORGANIZATION

The *pro forma* transfer of control contemplated by the instant application involves a corporate reorganization that will not effect a substantial change in the beneficial ownership of the licensee. By this FCC Form 316 application for transfer of control, three new corporate entities will be created in the chain of ownership. Specifically, a new entity named Pegasus Broadcast Television I, Inc. (referred to herein as “*New PBT*”) will replace the current Pegasus Broadcast Television, Inc. (hereinafter “*Old PBT*”) and will become the indirect corporate parent of the licensee, WTLH License Corp. New PBT will be wholly owned by Pegasus Media & Communications, Inc. In addition, a subsidiary of New PBT will be created named PBT Holdings, Inc. (“PBT Holdings”), which will become the direct parent of the licensee.

In addition, as described below, a new company “Pegasus Satellite Communications Holdings, Inc.” will be created in the ownership structure above Pegasus Media & Communications, Inc. (“PMC”). Specifically, a newly created Delaware corporation named Pegasus Satellite Communications Holdings, Inc. will become the 100% parent of Pegasus Satellite Communications, Inc. (the corporate parent of PMC), and in turn will be wholly owned by Pegasus Communications Corporation. Included below is a chart depicting the relevant corporate structure before and after the proposed reorganization. Applications seeking Commission consent to similar *pro forma* corporate reorganizations are being filed simultaneously herewith for commonly owned stations WOLF-TV, Hazleton, PA, WILF(TV), Williamsport, PA, WDSI-TV, Chattanooga, TN, WDBD(TV), Jackson, MS, WBPB(TV), Gulf Shores, AL, and WPXT(TV), Portland, ME.

WTLH License Corp., the licensee and applicant herein, is a Delaware corporation located c/o Pegasus Communications Management Company at 225 City Line Avenue, Suite 200, Bala Cynwyd, Pennsylvania, 19004, and will be wholly owned by PBT Holdings.

PBT Holdings is a Delaware corporation located c/o Pegasus Communications Management Company at 225 City Line Avenue, Suite 200, Bala Cynwyd, Pennsylvania, 19004, and will be wholly owned by New PBT.

New PBT is a Delaware corporation located c/o Pegasus Communications Management Company at 225 City Line Avenue, Suite 200, Bala Cynwyd, Pennsylvania, 19004. New PBT will be wholly owned by Pegasus Media & Communications, Inc. (“PMC”) a Delaware corporation located c/o Pegasus Communications Management Company at 225 City Line Avenue, Suite 200, Bala Cynwyd, Pennsylvania, 19004.

In turn, PMC is owned 100% by Pegasus Satellite Communications, Inc. (“Pegasus Satellite”) a Delaware corporation located c/o Pegasus Communications Management Company at 225 City Line Avenue, Suite 200, Bala Cynwyd, Pennsylvania, 19004

In turn, Pegasus Satellite will be owned 100% by the newly created Pegasus Satellite Communications Holdings, Inc. a Delaware corporation located c/o Pegasus Communications Management Company at 225 City Line Avenue, Suite 200, Bala Cynwyd, Pennsylvania, 19004.

In turn, Pegasus Satellite Communications Holdings, Inc. will be owned 100% by Pegasus Communications Corporation (“PCC”) a Delaware corporation located c/o Pegasus Communications Management Company at 225 City Line Avenue, Suite 200, Bala Cynwyd, Pennsylvania, 19004. PCC is a public company. Class A Common Stock representing approximately 35.7% of the voting rights of PCC is held by public shareholders. Pegasus Communications Holdings, Inc. (“PCHI”), PCC’s parent company, is a Delaware corporation located c/o Pegasus Communications Management Company at 225 City Line Avenue, Suite 200, Bala Cynwyd, Pennsylvania, 19004. PCHI either directly or through wholly owned corporations, holds Class B Common Stock representing approximately 46.8% of the voting rights in PCC.¹ Pegasus Capital, L.P., an entity controlled by Marshall W. Pagon, holds the remainder of the Class B Common Stock of PCC, representing approximately 17.5% of the voting rights in PCC.² Pegasus Capital, L.P. is a Pennsylvania limited partnership located c/o Pegasus Communications Management Company at 225 City Line Avenue, Suite 200, Bala Cynwyd, Pennsylvania, 19004.

The voting stock of PCHI is held by a limited partnership, Pegasus Communications Limited Partnership (“PCLP”), a Connecticut limited partnership, located at 225 City Line Avenue, Suite 200, Bala Cynwyd, Pennsylvania, 19004. PCLP is controlled by its sole general partner Northwest Management Associates, L.P. (“NMALP”), a Pennsylvania limited partnership, located at 225 City Line Avenue, Suite 200, Bala Cynwyd, Pennsylvania, 19004. NMALP has a single general partner, Pegasus Cable Associates, Ltd., a Pennsylvania corporation, owned 100% by Marshall W. Pagon. As Mr. Pagon has actual control, the interests of the limited partners of PCLP and NMALP need not be reported here.³

Thus, as set forth above, through his control of PCHI and Pegasus Capital, L.P., Marshall W. Pagon controls approximately 64.3% of the voting stock of PCC, is a single majority shareholder, and has actual control of that corporation. Following the *pro forma* corporate reorganization contemplated herein, Marshall W. Pagon will continue to retain control of PCC, as well as the applicant herein.

¹ Pegasus Northwest Offer Corp., a Delaware corporation located at 225 City Line Avenue, Suite 200, Bala Cynwyd, Pennsylvania, 19004, holds Class B Common Stock representing 2% of the voting rights in PCC. Pegasus Scranton Offer Corp., a Delaware corporation, located at 225 City Line Avenue, Suite 200, Bala Cynwyd, Pennsylvania, 19004, also holds 2% of the voting rights in PCC. PCHI owns 100% of the stock of both Pegasus Northwest Offer Corp. and Pegasus Scranton Offer Corp.

² Pegasus Capital, L.P. has a single corporate general partner, Pegasus Capital, Ltd., a Pennsylvania corporation, located at 225 City Line Avenue, Suite 200, Bala Cynwyd, Pennsylvania, 19004. The stock of that corporation is owned 100% by Marshall W. Pagon. All of the limited partners of Pegasus Capital, L.P. are insulated.

³ Among the limited partners of PCLP and NMALP are other limited partnerships in which certain officers, directors and employees of the operating companies hold equity interests. Among these are Marshall W. Pagon, whose interests are already reported. As the party who controls the general partner of both PCLP and NMALP, Mr. Pagon exercises actual control over these entities and is deemed to hold 100% interest in these entities.

Officers and Directors

The officers and directors of WTLH License Corp., each of whom is a U.S. citizen, are as follows:

Marshall W. Pagon 520 N. Rose Lane Haverford, PA 19041 Sole Director, Chairman, and CEO	Ted S. Lodge 9159 Greentree Road Philadelphia, PA 19118 President, COO, and Counsel	Scott A. Blank 623 W. Upsal Street Philadelphia, PA 19119 Senior Vice President, General Counsel and Secretary
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Michael B. Jordan 247 East Gravers Lane Philadelphia, PA 19118 Assistant Secretary	Howard E. Verlin 922 Spruce Street Philadelphia, PA 19107 Executive Vice President	Joseph Pooler 2413 S. 16 th Street Philadelphia, PA 19145 Vice President
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The officers and directors of PBT Holdings, Inc., each of whom is a U.S. citizen, are as follows:

Marshall W. Pagon 520 N. Rose Lane Haverford, PA 19041 Sole Director, Chairman, and CEO	Ted S. Lodge 9159 Greentree Road Philadelphia, PA 19118 President, COO, and Counsel	Scott A. Blank 623 W. Upsal Street Philadelphia, PA 19119 Senior Vice President, General Counsel and Secretary
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Michael B. Jordan 247 East Gravers Lane Philadelphia, PA 19118 Assistant Secretary	Howard E. Verlin 922 Spruce Street Philadelphia, PA 19107 Executive Vice President	Joseph Pooler 2413 S. 16 th Street Philadelphia, PA 19145 Vice President
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The officers and directors of Pegasus Broadcast Television I, Inc., each of whom is a U.S. citizen, are as follows:

Marshall W. Pagon 520 N. Rose Lane Haverford, PA 19041 Sole Director, Chairman, and CEO	Ted S. Lodge 9159 Greentree Road Philadelphia, PA 19118 President, COO, and Counsel	Scott A. Blank 623 W. Upsal Street Philadelphia, PA 19119 Senior Vice President, General Counsel and Secretary
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Michael B. Jordan 247 East Gravers Lane Philadelphia, PA 19118 Assistant Secretary	Howard E. Verlin 922 Spruce Street Philadelphia, PA 19107 Executive Vice President	Joseph Pooler 2413 S. 16 th Street Philadelphia, PA 19145 Vice President
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The officers and directors of PMC, each of whom is a U.S. citizen, are as follows:

Marshall W. Pagon
520 N. Rose Lane
Haverford, PA 19041
Director, Chairman,
and Chief Executive Officer

Ted S. Lodge
9159 Greentree Road
Philadelphia, PA 19118
Director, President, Chief
Operating Officer, and
Counsel

Howard E. Verlin
922 Spruce Street
Philadelphia, PA 19107
Executive Vice President of
Business Affairs,
Communications, and
IR/Capital Markets

John K. Hane
7503 Clarendon Road
Bethesda, MD 20314
Senior Vice President of
Business Development

Karen M. Heisler
164 Welsh Road
Huntingdon Valley, PA
19006
Senior Vice President of
Human Resources and
Administrative Services

Scott A. Blank
623 W. Upsal Street
Philadelphia, PA 19119
Senior Vice President of Legal
and Corporate Affairs, General
Counsel and Secretary

Rory J. Lindgren
26 Settlers Drive
Doylestown, PA 18401
Senior Vice President Direct
Marketing and Operations

Joseph W. Pooler, Jr.
2413 S. 16th Street
Philadelphia, PA 19145
Vice President Finance and
Controller

Cheryl Crate
1600 S. Eads Street, Apt 733N
Arlington, VA 22202
Vice President Corporate
Communications and
Government Relations

Michael B. Jordan
247 East Gravers Lane
Philadelphia, PA 19118
Assistant Secretary

Robert F. Benbow
53 Norman Way
Tiburon, CA 94920
Director

The officers and directors of Pegasus Satellite Communications, Inc., each of whom is a U.S. citizen, are as follows:

Marshall W. Pagon
520 N. Rose Lane
Haverford, PA 19041
Director, Chairman,
and Chief Executive Officer

Ted S. Lodge
9159 Greentree Road
Philadelphia, PA 19118
Director, President, Chief
Operating Officer, and
Counsel

Howard E. Verlin
922 Spruce Street
Philadelphia, PA 19107
Executive Vice President of
Business Affairs,
Communications, and
IR/Capital Markets

John K. Hane
7503 Clarendon Road
Bethesda, MD 20314
Senior Vice President of

Karen M. Heisler
164 Welsh Road
Huntingdon Valley, PA
19006

Scott A. Blank
623 W. Upsal Street
Philadelphia, PA 19119
Senior Vice President of Legal

Business Development	Senior Vice President of Human Resources and Administrative Services	and Corporate Affairs, General Counsel and Secretary
Rory J. Lindgren 26 Settlers Drive Doylestown, PA 18401 Senior Vice President Direct Marketing and Operations	Joseph W. Pooler, Jr. 2413 S. 16 th Street Philadelphia, PA 19145 Vice President Finance and Controller	Cheryl Crate 1600 S. Eads Street, Apt 733N Arlington, VA 22202 Vice President Corporate Communications and Government Relations
Michael B. Jordan 247 East Gravers Lane Philadelphia, PA 19118 Assistant Secretary	Robert F. Benbow 53 Norman Way Tiburon, CA 94920 Director	

The officers and directors of Pegasus Satellite Communications Holdings, Inc., each of whom is a U.S. citizen, are as follows:

Marshall W. Pagon 520 N. Rose Lane Haverford, PA 19041 Director, Chairman, and Chief Executive Officer	Ted S. Lodge 9159 Greentree Road Philadelphia, PA 19118 Director, President, Chief Operating Officer, and Counsel	Howard E. Verlin 922 Spruce Street Philadelphia, PA 19107 Executive Vice President of Business Affairs, Communications, and IR/Capital Markets
John K. Hane 7503 Clarendon Road Bethesda, MD 20314 Senior Vice President of Business Development	Karen M. Heisler 164 Welsh Road Huntingdon Valley, PA 19006 Senior Vice President of Human Resources and Administrative Services	Scott A. Blank 623 W. Upsal Street Philadelphia, PA 19119 Senior Vice President of Legal and Corporate Affairs, General Counsel and Secretary
Rory J. Lindgren 26 Settlers Drive Doylestown, PA 18401 Senior Vice President Direct Marketing and Operations	Joseph W. Pooler, Jr. 2413 S. 16 th Street Philadelphia, PA 19145 Vice President Finance and Controller	Cheryl Crate 1600 S. Eads Street, Apt 733N Arlington, VA 22202 Vice President Corporate Communications and Government Relations
Michael B. Jordan 247 East Gravers Lane Philadelphia, PA 19118 Assistant Secretary	Robert F. Benbow 53 Norman Way Tiburon, CA 94920 Director	

The officers and directors of Pegasus Communications Corporation, each of whom is a U.S. citizen, with the exception of William P. Phoenix who is a Canadian citizen, are as follows:

Marshall W. Pagon
520 N. Rose Lane
Haverford, PA 19041
Director, Chairman,
and Chief Executive Officer

Ted S. Lodge
9159 Greentree Road
Philadelphia, PA 19118
Director, President, Chief
Operating Officer, and
Counsel

Howard E. Verlin
922 Spruce Street
Philadelphia, PA 19107
Executive Vice President of
Business Affairs,
Communications, and
IR/Capital Markets

John K. Hane
7503 Clarendon Road
Bethesda, MD 20314
Senior Vice President of
Business Development

Karen M. Heisler
164 Welsh Road
Huntingdon Valley, PA
19006
Senior Vice President of
Human Resources and
Administrative Services

Scott A. Blank
623 W. Upsal Street
Philadelphia, PA 19119
Senior Vice President of Legal
and Corporate Affairs, General
Counsel and Secretary

Rory J. Lindgren
26 Settlers Drive
Doylestown, PA 18401
Senior Vice President Direct
Marketing and Operations

Joseph W. Pooler, Jr.
2413 S. 16th Street
Philadelphia, PA 19145
Vice President Finance and
Controller

Cheryl Crate
1600 S. Eads Street, Apt 733N
Arlington, VA 22202
Vice President Corporate
Communications and
Government Relations

Michael B. Jordan
247 East Gravers Lane
Philadelphia, PA 19118
Assistant Secretary

Robert F. Benbow
53 Norman Way
Tiburon, CA 94920
Director

Mary C. Metzger
333 E. 57th Street, Apt. 8A
New York, NY 10022
Director

Robert N. Verdecchio
122 Webster Avenue
Wyncote, PA 19095
Director

William P. Phoenix
6 Castle Road
Irvington, NY 10533
Director

James J. McEntee, III
601 University Place
Swarthmore, PA 19081
Director

Harry F. Hopper III
517 S. Fairfax Street
Alexandria, VA 22314
Director

The officers and directors of Pegasus Cable Associates, Ltd., each of whom is a U.S. citizen, are as follows:

Marshall W. Pagon
520 N. Rose Lane
Haverford, PA 19041
Sole Director, Chairman,
and Chief Executive Officer

Ted S. Lodge
9159 Greentree Road
Philadelphia, PA 19118
President, Chief Operating
Officer, and Counsel

Michael B. Jordan
247 East Gravers Lane
Philadelphia, PA 19118
Assistant Secretary

Scott A. Blank
623 W. Upsal Street
Philadelphia, PA 19119
Senior Vice President,
Secretary, and General
Counsel

Howard E. Verlin
922 Spruce Street
Philadelphia, PA 19107
Executive Vice President

The officers and directors of Pegasus Communications Holdings, Inc., each of whom is a U.S. citizen, are as follows:

Marshall W. Pagon
520 N. Rose Lane
Sole Director, Chairman,
and Chief Executive Officer

Ted S. Lodge
9159 Greentree Road
Philadelphia, PA 19118
President, Chief Operating
Officer, and Counsel

Michael B. Jordan
247 East Gravers Lane
Philadelphia, PA 19118
Assistant Secretary

Scott A. Blank
623 W. Upsal Street
Philadelphia, PA 19119
Senior Vice President, General
Counsel, and Secretary

Howard E. Verlin
922 Spruce St
Philadelphia, PA 19107
Executive Vice President

Other Broadcast Interests

PCC is the direct or indirect parent of various subsidiaries that hold FCC licenses for television stations. Specifically, PCC is the ultimate parent company of the following licensees and/or permittees:

<u>Licensee</u>	<u>Station</u>	<u>FIN</u>	<u>City of License</u>
WOLF License Corp.	WOLF-TV W52CE	73375 52077	Hazleton, PA Sayre, PA
Pegasus Broadcast Associates, L.P. ⁴	WILF(TV)	52075	Williamsport, PA
WDSI License Corp.	WDSI-TV WPDP-LP	71353 52078	Chattanooga, TN Cleveland, TN
WDBD License Corp.	WDBD(TV) WXMS-LP	71326 52079	Jackson, MS Natchez, MS
WTLH License Corp.	WTLH(TV) WGMP-LP WBVJ-LP	23486 48763 23487	Bainbridge, GA Valdosta, GA Valdosta, GA
HMW, Inc. ⁵	WPXT(TV)	53065	Portland, ME
WBPG License Corp.	WBPG(TV)	83943	Gulf Shores, AL
WFXU License Corp.	WFXU(TV)	22245	Live Oak, FL

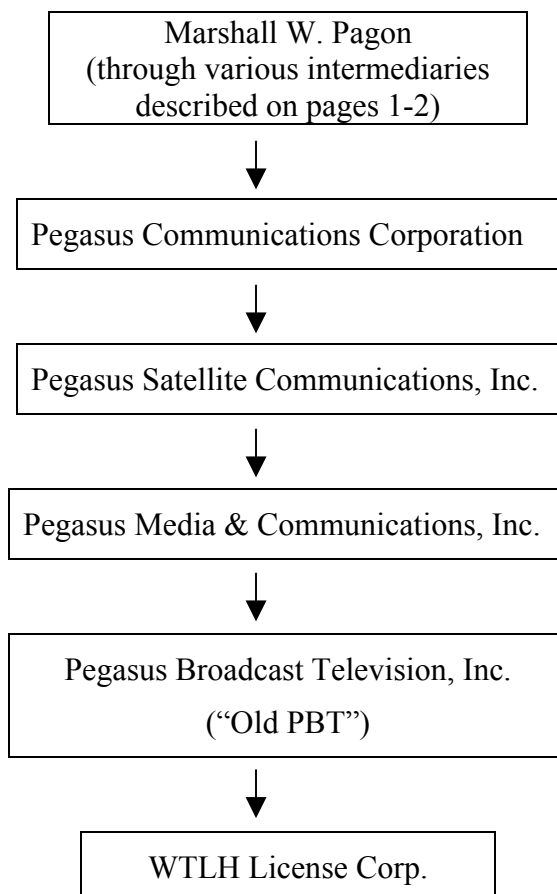
Furthermore, in the interest of complete disclosure, it should be noted that the mother of Marshall Pagon is married to W.W. Keen Butcher, the Chief Executive Officer and Chairman of the Board of Managers of KB Prime Media LLC (“KB Prime”), licensee of WSWB(TV), Scranton, Pennsylvania, and WPME(TV), Lewiston, Maine and is the permittee of WTLF(TV), Tallahassee, Florida and. PCC and its related entities hold an option to acquire any or all of the membership interests and/or assets of KB Prime. This arrangement has been approved by the

⁴ Pursuant to the corporate reorganization described herein, Pegasus is seeking Commission consent to the assignment of WILF(TV) to WILF, Inc.

⁵ Pursuant to the corporate reorganization described herein, Pegasus is seeking Commission consent to the assignment of WPXT(TV) to WPXT License Corp.

Commission on two occasions. See FCC File Nos. BAPCT-981116IA and BALCT-980526IA. PCC or certain subsidiaries provide programming pursuant to local marketing agreements to the following television stations: (1) WSWB(TV), Scranton, Pennsylvania; (2) WPME(TV), Lewiston, Maine; and (3) WGFL(TV), High Springs, Florida.

Ownership Structure Before Pro Forma Corporate Reorganization



Ownership Structure After Pro Forma Corporate Reorganization

