

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, WTLH License Corp. (“WTLH License”), the licensee of WTLH(TV), Bainbridge, GA, seeks Commission consent to a modification of the station’s corporate ownership structure. By the proposed reorganization, a company near the top of the ownership structure will be converted from a limited partnership to a limited liability company (“LLC”), and a corporation that is now the partnership’s general partner will distribute its ownership interest in the LLC to Marshall W. Pagon, its sole stockholder. Currently, Marshall W. Pagon’s control of WTLH License is ultimately held through his 100% interest in Pegasus Capital, Ltd., which in turn is the sole general partner of Pegasus Capital, L.P. Pursuant to this reorganization, Pegasus Capital, LP will be replaced by a newly created Delaware LLC to be named “Pegasus Capital Holdings LLC,” and Pegasus Capital, Ltd. will distribute its ownership interest in Pegasus Capital Holdings LLC to Marshall W. Pagon. Marshall W. Pagon will be the sole Managing Member of Pegasus Capital Holdings LLC, thereby retaining control over WTLH License. No other changes are contemplated. Accordingly, as the contemplated change is *pro forma* in nature, use of an FCC Form 316 is appropriate.

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, WFXU(TV), Live Oak, FL, and WPXT(TV), Portland, ME.

It is also noted that the *pro forma* transfer of control previously approved for WTLH has not yet been consummated. See FCC File No. BTCCT-20020717ABF.

Ownership Structure

WTLH License Corp., the licensee, is located c/o Pegasus Communications Management Company at 225 City Line Avenue, Suite 200, Bala Cynwyd, Pennsylvania, 19004.

WTLH License Corp., is wholly owned by Pegasus Broadcast Television, Inc. (“PBT”). PBT is a Pennsylvania corporation located c/o Pegasus Communications Management Company at 225 City Line Avenue, Suite 200, Bala Cynwyd, Pennsylvania 19004.

PBT is 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.

PMC in turn is owned 100% by Pegasus Satellite Communications, Inc. (“PSC”), a Delaware corporation located c/o Pegasus Communications Management Company at 225 City Line Avenue, Suite 200, Bala Cynwyd, Pennsylvania, 19004. PSC is wholly owned 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 33% of the voting rights of PCC is held by public shareholders.¹ Class B Common Stock representing approximately 48% of the voting rights in PCC is held by Pegasus Communications Holdings, Inc. (“PCHI”), either directly or through wholly owned corporations.² PCHI is a Delaware corporation located c/o Pegasus Communications Management Company at 225 City Line Avenue, Suite 200, Bala Cynwyd, Pennsylvania, 19004.

As a result of the proposed transaction, the newly created entity “Pegasus Capital Holdings LLC” will own the remaining Class B Common Stock of PCC, representing approximately 18% of the voting rights in PCC. This stock is currently held by Pegasus Capital, L.P., the company that Pegasus Capital Holdings LLC is replacing. Pegasus Capital Holdings LLC will be a Delaware limited liability company located c/o Pegasus Communications Management Company at 225 City Line Avenue, Suite 200, Bala Cynwyd, Pennsylvania, 19004. The sole Managing Member of Pegasus Capital, LLC will be Marshall W. Pagon.³

The voting stock of PCHI is held by a limited partnership, Pegasus Communications Limited Partnership (“PCLP”), a Connecticut limited partnership, located c/o Pegasus Communications Management Company 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 c/o Pegasus Communications Management Company at 225 City Line Avenue, Suite 200, Bala Cynwyd, Pennsylvania, 19004.⁴ NMALP has a single general partner, Pegasus Cable Associates, Ltd., a Pennsylvania corporation, owned 100% by Marshall W. Pagon. As part of the proposed transaction, the sole limited partner of NMALP will change from Pegasus Capital, Ltd. to the newly created Pegasus Capital Holdings LLC, controlled (as described above) by Marshall W.

¹ Some officers and directors may hold Class A stock. Among these are Marshall W. Pagon whose interests are already attributable. To the extent that other individuals hold such stock, all hold less than 5% of the voting interest in PCC.

² Specifically, Pegasus Northwest Offer Corp., a Delaware corporation located c/o Pegasus Communications Management Company at 225 City Line Avenue, Suite 200, Bala Cynwyd, Pennsylvania, 19004, holds Class B Common Stock representing approximately 2% of the voting rights in PCC. Pegasus Scranton Offer Corp., a Delaware corporation, located c/o Pegasus Communications Management Company 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.

³ All other members of Pegasus Capital Holdings LLC will be insulated consistent with the prior structure of Pegasus Capital, L.P. in which all of the limited partners were insulated.

⁴ The limited partners of PCLP are composed of individuals, other limited partnerships, and companies, which are insulated, except that Marshall W. Pagon and Howard E. Verlin, reported elsewhere herein, also hold equity interests in some of these entities.

Pagon. Thus, as set forth above, through his control of PCHI and Pegasus Capital Holdings LLC, Marshall W. Pagon will continue to control approximately 66% of the voting stock of PCC, and retain actual control of that corporation.

Officers and Directors of Corporate Entities Listed Above

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 111 Cherry Lane Wynnewood, PA 19096 Senior Vice President, General Counsel and Secretary
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 W. Pooler, Jr. 2413 S. 16 th Street Philadelphia, PA 19145 Vice President
Jack Paris 1740 Gallagher Road Plymouth Meeting, PA 19462 Vice President	Michael Yanuzzi c/o WOLF TV 1181 Highway 315 Plains, PA 18702 Vice President	

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

Marshall W. Pagon 520 N. Rose Lane Haverford, PA 19041 Chairman, Sole Director, CEO	Ted S. Lodge 9159 Greentree Road Philadelphia, PA 19118 President, COO, Counsel	Michael B. Jordan 247 East Gravers Lane Philadelphia, PA 19118 Assistant Secretary
Scott A. Blank 111 Cherry Lane Wynnewood, PA 19096 Senior V.P, General Counsel, Secretary	Lee M. Carpenter 124 Lake Dockery Drive Jackson, MS 39212 Assistant V.P.	Howard E. Verlin 922 Spruce Street Philadelphia, PA 19107 Executive V.P.
Joseph W. Pooler, Jr. 2413 S. 16 th Street Philadelphia, PA 19145 Senior Vice President Finance and Controller	Jack Paris 1740 Gallagher Road Plymouth Meeting, PA 19462	Michael Yanuzzi c/o WOLF TV 1181 Highway 315 Plains, PA 18702

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
111 Cherry Lane
Wynnewood, PA 19096
Senior Vice President of Legal
and Corporate Affairs, General
Counsel and Secretary

Rory J. Lindgren
26 Settlers Drive
Doylestown, PA 18401
Executive Vice President
Direct -- 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

Karen M. Heisler

Scott A. Blank

7503 Clarendon Road
Bethesda, MD 20314
Senior Vice President of
Business Development

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

111 Cherry Lane
Wynnewood, PA 19096
Senior Vice President of Legal
and Corporate Affairs, General
Counsel and Secretary

Rory J. Lindgren
26 Settlers Drive
Doylestown, PA 18401
Executive Vice President --
Operations

Joseph W. Pooler, Jr.
2413 S. 16th Street
Philadelphia, PA 19145
Senior 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, 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
111 Cherry Lane
Wynnewood, PA 19096
Senior Vice President of Legal
and Corporate Affairs, General
Counsel and Secretary

Rory J. Lindgren
26 Settlers Drive
Doylestown, PA 18401
Executive Vice President --
Operations

Joseph W. Pooler, Jr.
2413 S. 16th Street
Philadelphia, PA 19145
Senior 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

Robert F. Benbow

Mary C. Metzger

247 East Gravers Lane
Philadelphia, PA 19118
Assistant Secretary

53 Norman Way
Tiburon, CA 94920
Director

120 East End Avenue, Apt. 4A
New York, NY 10028
Director

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

James J. McEntee, III
601 University Place
Swarthmore, PA 19081
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
111 Cherry Lane
Wynnewood, PA 19096
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
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
111 Cherry Lane
Wynnewood, PA 19096
Senior Vice President, General
Counsel, and Secretary

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

The members of Pegasus Capital Holdings LLC will be as follows:

Marshall W. Pagon
520 N. Rose Lane
Haverford, PA 19041
Sole Managing Member

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:

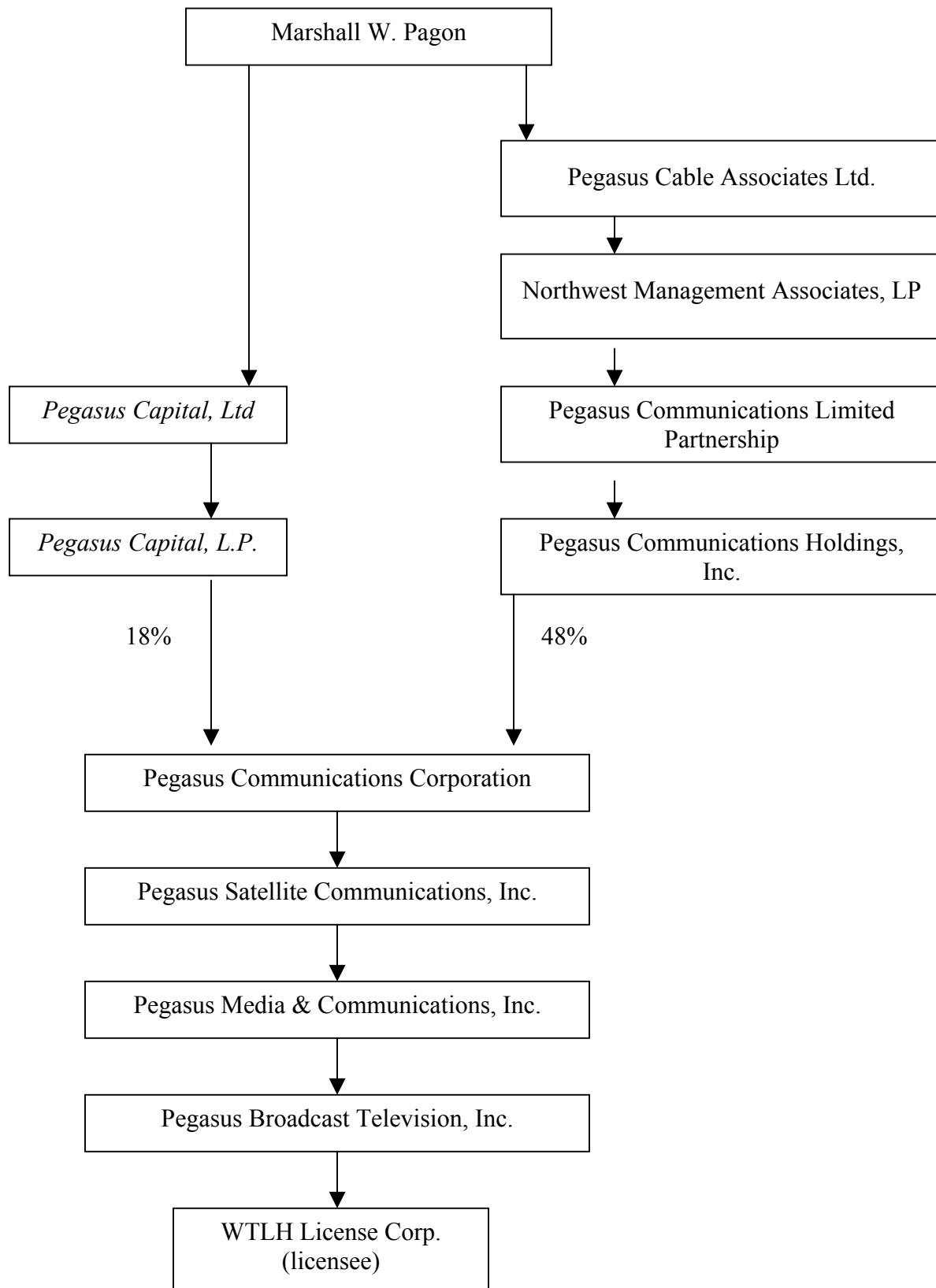
<u>Licensee</u>	<u>Station</u>	<u>FIN</u>	<u>City of License</u>
WOLF License Corp.	WOLF-TV W52CE	73375 52077	Hazleton, PA Sayre, PA
Pegasus Broadcast Associates, L.P.	WILF(TV)	52075	Williamsport, PA
WDSI License Corp.	WDSI-TV WPDP-LP	71353 52078	Chattanooga, TN Cleveland, TN
WDBD License Corp. ⁵	WDBD(TV) WXMS-LP	71326 52079	Jackson, MS Natchez, MS
WTLH License Corp.	WTLH(TV) WBFL-LP WBVJ-LP	23486 48763 23487	Bainbridge, GA Valdosta, GA Valdosta, GA
HMW, Inc.	WPXT(TV)	53065	Portland, ME
WFXU License Corp.	WFXU(TV)	22245	Live Oak, FL
Pegasus Broadcast Television, Inc.	W05CK	128139	Tylertown, MS

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”), WSWB(TV), Scranton,

⁵ The Commission has authorized the assignment of license of WDBD(TV) and WXMS-LP from WDBD License Corp. to Jackson Television, L.L.C. See FCC File No. BALCT-20030418ABE. This assignment has not yet been consummated.

Pennsylvania, and WPME(TV), Lewiston, Maine and is the permittee of WTLF(TV), Tallahassee, Florida and WUFX(TV), Vicksburg, MS. 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 Commission on two occasions. See FCC File Nos. BAPCT-981116IA and BALCT-980526IA. In addition, 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

