

EXHIBIT 10

DESCRIPTION OF THE TRANSACTION

The instant application is being filed contingent upon the consummation of the assignment of the license for commercial television station WPME(TV), Lewiston, Maine (the “WPME License”), and the construction permit for digital-only commercial television station WHMM-DT, Hammond, Louisiana (the “WHMM CP”), from KB Prime Media LLC (“KB Prime”) to Pegasus Satellite Communications, Inc., Debtor-In-Possession (“PSC DIP”). On December 16, 2004, and February 10, 2005, the Federal Communications Commission (“FCC” or “Commission”) consented to the assignment of the WPME License and the WHMM CP, respectively, from KB Prime to PSC DIP.¹ KB Prime and PSC DIP have not yet consummated such assignment transactions.

Contingent upon KB Prime’s and PSC DIP’s consummation of the assignment transactions described above, the instant application seeks Commission consent to the indirect *pro forma* transfer of control of PSC DIP, the approved assignee of the WPME License and the WHMM CP, from Pegasus Communications Corporation (“PCC”) to The PSC Liquidating Trust (the “Liquidating Trust”), c/o Ocean Ridge Capital Advisors, LLC, as Trustee (the “Trustee”). Presently, PSC DIP is a wholly-owned subsidiary of PCC, a publicly traded company.² This application seeks Commission consent to the *pro forma* transfer of control of PSC DIP to the Liquidating Trust in accordance with the Chapter 11 bankruptcy plan of PSC DIP.³ Pursuant to the Chapter 11 bankruptcy plan, the Trustee will make all operating decisions and will exercise control over the broadcast assets of PSC DIP, subject to the jurisdiction of the United States Bankruptcy Court, District of Maine (the “Bankruptcy Court”).

By way of background, on June 2, 2004, PSC DIP filed a voluntary petition under Chapter 11 of the Bankruptcy Code with the Bankruptcy Court.⁴ The petition sought bankruptcy protection for PSC DIP, which is now operating as a debtor-in-possession under the Bankruptcy Court’s oversight.

Pursuant to the Chapter 11 bankruptcy plan of PSC DIP, a copy of which is attached hereto along with the Liquidating Trust Agreement, this application seeks Commission consent to the indirect *pro forma* transfer control of PSC DIP to the Liquidating Trust. Upon consummation of the proposed transfer of control, the Trustee will make all operating decisions and will exercise control over the broadcast assets of PSC DIP, subject to the jurisdiction of the Bankruptcy Court.⁵ The Trustee is Ocean Ridge Capital Advisors, LLC, a limited liability company whose managing member and sole officer and director is Bradley E. Scher.⁶ The proposed director of the Liquidating Trust is Alan Ginsberg, but as many as two additional directors may be appointed by the holders of the trust interests.⁷ The holders of interests of

¹ See File Nos. BALCT-20040227AAA and BAPCDT-20040506AAU.

² See “Before” Chart, attached hereto.

³ See “After” Chart, attached hereto.

⁴ See *Pegasus Satellite Television Inc. et al.*, Case Number 04-20878 (Chapter 11) (Bnkr. D. Maine).

⁵ On and after the effective date of the plan of reorganization, PSC DIP will cease to be a debtor in possession, all assets of the debtor in possession will revert in PSC DIP or be transferred to the Liquidating Trust in accordance with the terms of the plan, and PSC DIP will be reorganized in accordance with applicable bankruptcy law.

⁶ Mr. Scher also holds the majority of the membership interests in Ocean Ridge Capital Advisors, LLC. The remaining membership interests in Ocean Ridge Capital Advisors, LLC are held by Judith A. Scher. Mr. and Ms. Scher do not have an attributable interest in any other broadcast licenses.

⁷ Mr. Ginsberg does not have an attributable interest in any other broadcast licenses.

the Liquidating Trust are the creditors of PSC DIP. To the best of the Trustee's knowledge, no such creditor has more than a 20% beneficial interest in the corpus of the liquidating trust.

Pursuant to the Chapter 11 bankruptcy plan and the Liquidating Trust Agreement, the Liquidating Trust will identify a buyer for the broadcast assets of PSC DIP, seek the required approvals of the Bankruptcy Court, seek the required FCC approvals, and take such actions which are necessary to consummate the transfer of the broadcast assets to the ultimate buyer. The Bankruptcy Court will retain jurisdiction over the actions of the Liquidating Trust and Trustee. Thus, Bankruptcy Court approval will be required to effectuate the bankruptcy plan, including approval to sell the assets of PSC DIP to the ultimate buyer.⁸ Because Bankruptcy Court approval presently is required to dispose of the assets of PSC DIP, including the FCC licenses, and Bankruptcy Court approval will continue to be required for disposition of such assets by the Liquidating Trust following the proposed transfer of control, the proposed transaction does not result in a substantial change in the control of PSC DIP.⁹ Accordingly, use of FCC Form 316 is appropriate for the described transaction.

Similar applications are being filed simultaneously with this application for commonly controlled stations:

| Licensee/Permittee | Call Sign | Service | Facility ID | Community of License |
|--|---------------------|----------------|--------------------|-----------------------------|
| Pegasus Broadcast Associates, L.P., Debtor-In-Possession | WILF(TV) | TV | 52075 | Williamsport, PA |
| WGFL License Corp. | WGFL(TV) | TV | 7727 | High Springs, FL |
| | WLCF-LP | TX | 43483 | Lake City, FL |
| | WYPN-CA | CA | 7726 | Gainesville, FL |
| WDSI License Corp., Debtor-In-Possession | WDSI-TV | TV | 71353 | Chattanooga, TN |
| | WPDP-LP | CA | 52078 | Cleveland, TN |
| WTLH License Corp., Debtor-In-Possession | WTLH(TV) | TV | 23486 | Bainbridge, GA |
| | WBFL-CA | CA | 48763 | Valdosta, GA |
| | WBVJ-LP | CA | 23487 | Valdosta, GA |
| HMW, Inc., Debtor-In-Possession | WPXT(TV) | TV | 53065 | Portland, ME |
| Pegasus Broadcast Television, Inc., Debtor-In-Possession | W05CK ¹⁰ | TX | 128139 | Tylertown, MS |
| | W23CM ¹¹ | TX | 128142 | Tylertown, MS |
| | W08EA ¹² | TX | 128367 | Reddick, FL |
| WOLF License Corp., Debtor-In-Possession | WOLF-TV | TV | 73375 | Hazleton, PA |
| | W24DB | CA | 52077 | Sayre, PA |

⁸ See Debtors' First Amended Joint Chapter 11 Plan at § 13.1(q), attached hereto.

⁹ See Bankruptcy Court Order Confirming Debtors' First Amended Joint Chapter 11 Plan at ¶ 26(q), attached hereto; *see also* Liquidating Trust Agreement at § 3.02(ee), also attached hereto.

¹⁰ Station W05CK, Tylertown, Mississippi, has a construction permit only (File No. BNPTVL-20000831ASG).

¹¹ Station W23CM, Tylertown, Mississippi, has a construction permit only (File No. BNPTVL-20000831ASI).

¹² Station W08EA, Reddick, Florida, has a construction permit only (File No. BNPTVL-20000831AXB).

- Attachments:
- (1) "Before" and "After" Charts
 - (2) Debtors' First Amended Joint Chapter 11 Plan
 - (3) Liquidating Trust Agreement
 - (4) Bankruptcy Court Order Confirming Debtors' First Amended Joint Chapter 11 Plan