

### **DESCRIPTION OF THE TRANSACTION**

This application seeks Commission consent to the *pro forma* assignment of HMW, Inc. (“HMW”), licensee of WPXT(TV), Portland, Maine, which will operate as HMW, Inc., Debtor-In-Possession pursuant to a recent bankruptcy filing. On June 2, 2004, HMW – along with its direct parent corporations, and certain other affiliated companies – submitted a voluntary petition for bankruptcy to the United States Bankruptcy Court, District of Maine seeking to reorganize under Chapter 11 of the U.S. Bankruptcy Code. *See In re: Pegasus Satellite Television Inc. et al.*, Case Number 04-20878 (Chapter 11) (Bnkr. D. Maine). This petition seeks bankruptcy protection for HMW and related companies, but does not include the parent, publicly traded company, Pegasus Communications Corporation. HMW is now operating as a debtor-in-possession under the Bankruptcy Court’s oversight and it is anticipated that HMW will continue operating as usual throughout the Chapter 11 process. A copy of the initial Petition for Bankruptcy is attached hereto, as well as a copy of the Bankruptcy Court’s order authorizing the debtor companies to continue operating in the ordinary course.

The instant *pro forma* assignment does not effect a substantial change in the control of the licensee, as the officers, directors, and shareholders of HMW remain unchanged following the filing of the bankruptcy petition. Through his control of various intermediary companies, Marshall W. Pagon continues to control approximately 66% of the voting stock of Pegasus Communications Corporation – the ultimate corporate parent of HMW and a publicly traded company, which has not sought bankruptcy protection – and retains actual control of that corporation, as well as of the licensee herein, HMW, subject to the jurisdiction and oversight of the bankruptcy court overseeing this voluntary bankruptcy reorganization. Accordingly, as the contemplated change is *pro forma* in nature, use of an FCC Form 316 is appropriate.

Similar applications are being filed simultaneously for commonly controlled stations: WOLF-TV, Hazleton, PA, WILF(TV), Williamsport, PA, WGFL(TV), Gainesville, FL, WTLH(TV) Bainbridge, GA and WDSI-TV, Chattanooga, TN.