

## EXHIBIT 10

### DESCRIPTION OF THE TRANSACTION

The instant application seeks consent from the Federal Communications Commission (“FCC” or “Commission”) to the indirect *pro forma* transfer of control of WOLF License Corp., Debtor-In-Possession (“WOLF DIP”), licensee of commercial television station WOLF-TV, Hazleton, Pennsylvania and Class A television station W24DB, Sayre, Pennsylvania (collectively, the “Stations”), 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, WOLF DIP is a wholly-owned subsidiary of Pegasus Broadcast Television, Inc., Debtor-In-Possession (“PBT DIP”), which in turn is a wholly-owned subsidiary of Pegasus Media and Communications, Inc., Debtor-In-Possession (“PMC DIP”), which in turn is a wholly-owned subsidiary of Pegasus Satellite Communications, Inc., Debtor-In-Possession (“PSC DIP”) (PBT DIP, PMC DIP and PSC DIP collectively referred to hereinafter as the “DIP Parents”).<sup>1</sup> PSC DIP is a wholly-owned subsidiary of PCC, a publicly traded company.<sup>2</sup> This application seeks Commission consent to the *pro forma* transfer of control of WOLF DIP to the Liquidating Trust in accordance with the Chapter 11 bankruptcy plan of WOLF DIP and the DIP Parents.<sup>3</sup> Pursuant to the Chapter 11 bankruptcy plan, the Trustee will make all operating decisions and will exercise control over the broadcast assets of WOLF 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, WOLF License Corp., and its DIP Parents filed voluntary petitions under Chapter 11 of the Bankruptcy Code with the Bankruptcy Court.<sup>4</sup> The petitions sought bankruptcy protection for WOLF License Corp. and the DIP Parents. WOLF DIP is now operating as a debtor-in-possession under the Bankruptcy Court’s oversight. On December 23, 2004, the Commission consented to the *pro forma* assignment of the Stations’ licenses from WOLF License Corp. to WOLF DIP.<sup>5</sup>

Pursuant to the Chapter 11 bankruptcy plan of WOLF DIP and the DIP Parents, a copy of which is attached hereto along with a draft of the Liquidating Trust Agreement, this application seeks Commission consent to the indirect *pro forma* transfer control of WOLF 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 WOLF DIP, subject to the jurisdiction of the Bankruptcy Court.<sup>6</sup> The Trustee is Ocean Ridge Capital Advisors, LLC, a limited liability company whose managing member and sole officer and director is Bradley E. Scher.<sup>7</sup> 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.<sup>8</sup>

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<sup>1</sup> See “Before” Chart, attached hereto.

<sup>2</sup> See *id.*

<sup>3</sup> See “After” Chart, attached hereto.

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

<sup>5</sup> See File No. BALCT-20040702ADO.

<sup>6</sup> On and after the effective date of the plan of reorganization, WOLF DIP and the DIP Parents will cease to be debtors in possession, all assets of the debtors in possession will revert in WOLF DIP and the DIP Parents or be transferred to the Liquidating Trust in accordance with the terms of the plan, and WOLF DIP and the DIP Parents will be reorganized in accordance with applicable bankruptcy law.

<sup>7</sup> 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.

<sup>8</sup> Mr. Ginsberg does not have an attributable interest in any other broadcast licenses.

The holders of interests of 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 WOLF 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 WOLF DIP to the ultimate buyer.<sup>9</sup> Because Bankruptcy Court approval presently is required to dispose of the assets of WOLF 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 WOLF DIP.<sup>10</sup> 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 <sup>11</sup>    | TX      | 128139      | Tylertown, MS        |
|  | W23CM <sup>12</sup>    | TX      | 128142      | Tylertown, MS        |
|  | W08EA <sup>13</sup>    | TX      | 128367      | Reddick, FL          |
| Pegasus Satellite Communications, Inc., Debtor-In-Possession | WPME(TV) <sup>14</sup> | TV      | 48408       | Lewiston, ME         |
|  | WHMM-DT <sup>15</sup>  | DT      | 83945       | Hammond, LA          |

<sup>9</sup> See Attached Debtors' First Amended Joint Chapter 11 Plan at § 13.1(q).

<sup>10</sup> See Attached Draft Order Confirming Debtors' First Amended Joint Chapter 11 Plan at ¶ 19(q).

<sup>11</sup> Station W05CK, Tylertown, Mississippi, has a construction permit only (File No. BNPTVL-20000831ASG).

<sup>12</sup> Station W23CM, Tylertown, Mississippi, has a construction permit only (File No. BNPTVL-20000831ASI).

<sup>13</sup> Station W08EA, Reddick, Florida, has a construction permit only (File No. BNPTVL-20000831AXB).

<sup>14</sup> On February 10, 2005, the Commission consented to the assignment of the license for station WPME(TV), Lewiston, Maine, from KB Prime Media, LLC, to PSC DIP. That transaction has not yet been consummated. Accordingly, the transfer of control application being filed simultaneously with this application for WPME(TV) is contingent upon the consummation of the assignment of the station's license to PSC DIP.

<sup>15</sup> Station WHMM-DT, Hammond, Louisiana, has a construction permit only (File No. BPCDT-19960920LW) and is a digital-only television station. On December 16, 2004, the Commission consented to the assignment of the construction permit for station WHMM-DT from KB Prime Media, LLC, to PSC DIP. That transaction has not yet

- Attachments:
- (1) “Before” and “After” Charts
  - (2) Debtors’ First Amended Joint Chapter 11 Plan
  - (3) Draft Liquidating Trust Agreement
  - (4) Draft of Order Confirming Debtors’ First Amended Joint Chapter 11 Plan

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been consummated. Accordingly, the transfer of control application being filed simultaneously with this application for WHMM-DT is contingent upon the consummation of the assignment of the station’s construction permit to PSC DIP.