

SHARED SERVICES AGREEMENT

This Shared Services Agreement ("**Agreement**") dated as of _____, 2006 among Mystic Television of Tallahassee LLC ("**Mystic**"), a Delaware limited liability company, and Pegasus Broadcast Television, Inc., a Pennsylvania corporation ("**Pegasus**" and, together with Mystic, the "**Parties**").

WITNESSETH

WHEREAS, Mystic is the owner and operator of television broadcast station WTLF-DT, Tallahassee, Florida ("**WTLF**") and the holder of the Station Authorizations (as hereinafter defined);

WHEREAS, Pegasus owns and operates, together with its wholly-owned subsidiary WTLH License Corp., television broadcast station WTLH(TV), Bainbridge, Georgia ("**WTLH**" and together with WTLF, the "**Stations**");

WHEREAS, in an effort to reduce operating costs at the Stations and to effectuate certain operating efficiencies to improve the Stations' service to the public, Mystic and Pegasus agree to share certain services and procurements which they individually require in connection with the ownership and operation of the Stations;

NOW, THEREFORE, in consideration of the premises and mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

ARTICLE 1

DEFINITIONS

1.1 **Defined Terms.** As used herein, the capitalized terms not otherwise defined herein have the meanings set forth in Appendix A.

1.2 **Other Definition Provisions.** The masculine form of words includes the feminine and the neuter and vice versa, and, unless the context otherwise requires, the singular form of words includes the plural and vice versa. The words "herein," "hereof," "hereunder" and other words of similar import when used in this Agreement refer to this Agreement as a whole, and not to any particular section or subsection.

ARTICLE 2

SERVICES

2.1 **Services to be Shared.** Subject in all events and at all times to the full authority, power, supervision and ultimate control of the licensee of the Station to which such functions relate, the following services (collectively, the "**Shared Services**") shall be shared by Mystic and Pegasus in the manner specified below:

2.1.1 Execution of Promotional Policies. Subject to direction and control of Mystic Personnel, Pegasus Personnel shall implement and execute the promotional policy established and developed by Mystic for WTLF. Such implementation and execution shall include tasks such as graphic design, production and media placement and buying.

2.1.2 Continuity, Traffic, and Office Support. Subject to direction and control of Mystic Personnel, Pegasus Personnel shall provide continuity, clerical, office, and traffic support necessary to support the personnel and functions of WTLF.

2.1.3 Master Control. Subject to direction and control of Mystic Personnel, Pegasus Personnel, including master control operators and related employees, shall carry out master control functions for WTLF.

2.1.4 Facilities Maintenance. Subject to the control of Mystic Personnel, and at the request and direction of Mystic, Pegasus Personnel shall maintain and repair the transmission facilities of WTLF.

2.1.5 Programming Production and Delivery. Pegasus Personnel may provide and deliver programming ("**Provided Programming**") for broadcast on WTLF, provided that such Provided Programming shall not comprise more than 15%, by duration, of the programming broadcast on WTLF during any broadcast week. Provided Programming may include, without limitation, videotape, graphics, news stories, field reports and other material of a non-exclusive nature. Mystic Personnel shall retain full right to brand such Provided Programming as if it was originated by Mystic.

2.1.6 Programming Content. Provided Programming shall be in compliance with (i) the Act; (ii) FCC Rules; (iii) all applicable federal, state and local laws, regulations and policies; (iv) generally accepted program quality standards of the television broadcast industry; and (v) the programming policies established by Mystic for WTLF ("**Mystic Programming Policies**"). Mystic and Pegasus shall consult with each other on a regular basis but not less than monthly to review the compliance of the Provided Programming with Mystic Programming Policies, on a continuing basis. In the event that Mystic believes that the broadcast of the Provided Programming would not comply with the Mystic Programming Policies or would otherwise be unsatisfactory, unsuitable or contrary to the public interest, Mystic may reject, refuse, delay or preempt the broadcast of such Provided Programming, provided that, Mystic shall use reasonable efforts to provide Pegasus with at least twenty-four (24) hours notice of Mystic's intention to reject, refuse, delay or preempt such Provided Programming. Mystic also may reject, refuse, delay or preempt such Provided Programming in order to present program material which it reasonably believes is of greater local or national importance than the Provided Programming, provided that, Mystic shall use reasonable efforts to provide Pegasus with at least twenty-four (24) hours notice of Mystic's intention to reject, refuse, delay or preempt such Provided Programming. The Parties acknowledge that this Section 2.1.6 shall apply only to the extent Pegasus provides Provided Programming pursuant to Section 2.1.5 of this Agreement.

2.1.7 Operating Conditions Memorandum. Mystic and Pegasus shall promptly collaborate to create an operating conditions agreement or procedural memorandum to govern the broadcast of Provided Programming on WTLF ("**Operating Conditions Memorandum**").

The Operating Conditions Memorandum shall establish the regular daily schedule for the Provided Programming with provision for contingencies, access to breaking stories and procedures for editorial control in compliance with the Act and FCC Rules. The regular daily schedule for programming to be broadcast on WTLF other than Provided Programming also shall be set forth in the Operating Conditions Memorandum and shall be modified and amended throughout the term of this Agreement to reflect programming or schedule changes. The Parties acknowledge that this Section 2.1.7 shall apply only to the extent Pegasus provides Provided Programming pursuant to Section 2.1.5 of this Agreement.

2.2 Services Not to be Shared.

2.2.1 Personnel. At all times, Mystic shall employ a sufficient number of employees to carry out its responsibility for control of WTLF, including all services that are not shared, including at least two full-time employees (“**Mystic Personnel**”), one of which shall be a general manager ultimately responsible for the day-to-day management and operations of WTLF and one of which shall maintain a presence at WTLF during regular business hours. At all times, any Pegasus Personnel utilized by Pegasus to perform its obligations under this Agreement shall be employed solely by Pegasus. Except as otherwise provided in this Agreement, Pegasus Personnel shall report solely to Pegasus and shall otherwise have no involvement with, or duties with respect to, the programming, operations or maintenance of the facilities of WTLF. At no time shall the personnel of Mystic simultaneously be an employee of, or independent contractor with, Pegasus, and vice-versa.

2.2.2 Programming and Station Personnel. At all times, Mystic and Pegasus shall employ independent and distinct personnel to perform duties with respect to the selection and procurement of programming for the Station owned and operated by it, and in no event shall such Parties or the Stations share personnel pertaining to such matters, except as set forth in Section 2.1.5 and Section 2.1.7.

2.2.3 Provided Programming Commercial Time. In consideration of the services shared hereunder, subject to the control of Mystic, Pegasus shall determine the amount and duration of commercial advertising and promotional time to be provided for during the broadcast of the Provided Programming, if any, (“**Provided Programming Commercial Time**”) and shall sell, collect, and retain, subject to Mystic having satisfied all its Priority Obligations then due and owing, all revenues for such Provided Programming Commercial Time, including without limitation, all revenue obtained from that portion of the advertising time in barter programming that is not retained by or reserved for the barter programming provider.

ARTICLE 3

CONDUCT OF OPERATIONS

3.1 Access and Right to Use Facilities. Pegasus Personnel shall be afforded access to, and have the right to use, without charge, the assets, facilities, and properties of WTLF to the extent Pegasus Personnel may reasonably desire to perform the obligations and enjoy the rights of Pegasus under this Agreement, provided that, at all times while using such assets, facilities and properties, Pegasus Personnel shall be subject to the direction and control of Mystic

Personnel. In addition to access to the assets, facilities, and properties of WTLH provided to Mystic pursuant to certain studio and other lease agreements, Mystic Personnel shall be afforded access to, and have the right to use, without charge, the assets, facilities, and properties of WTLH to the extent necessary to operate WTLF and to perform Mystic's obligations under this Agreement, provided that such access and use do not interfere with the operation of WTLH.

3.2 Responsibility for Services, Duties and Obligations other than Shared Services. Nothing in this Agreement relieves or is intended to relieve Mystic of its duties and obligations with respect to any service that Pegasus is not specifically obligated to provide under this Agreement.

3.3 Control. Notwithstanding any provisions in this Agreement to the contrary, Mystic shall maintain full control over the operations of WTLF, including, but not limited to, management, programming, finances, editorial policies, personnel, and facilities. Mystic is responsible for WTLF's compliance with the Act, FCC Rules and all other applicable federal, state, or local laws in effect from time to time, including, without limitation, the right to accept or reject any Provided Programming pursuant to Section 2.1.6. Nothing contained herein shall give Pegasus any right to control the management, programming, finances, editorial policies, personnel facilities or any other matter relating to WTLF, except as otherwise provided in Section 2.1.6 and Section 2.2.3 of this Agreement. The arrangements for shared services contemplated herein do not constitute a partnership, joint venture, or agency relationship among the Parties or the Stations.

3.4 Responsive Public Interest Programming. Mystic is responsible for presenting public interest programming that is responsive to the problems, needs and interests of WTLF's service area ("**Public Interest Programming**") and is responsible for ascertaining such problems, needs and interests. To the extent Pegasus provides Provided Programming, at Mystic's request, Pegasus shall provide information concerning the portions of the Provided Programming that it believes qualify as Public Interest Programming.

3.5 Regulatory Compliance. All arrangements contemplated herein shall be subject to, and are intended to comply with, the Act, the FCC Rules and all other applicable federal, state and local laws and regulations in effect from time to time.

3.6 Compliance With Law. Mystic agrees that, throughout the term of this Agreement, Mystic shall comply with the Act, the FCC Rules and all other laws and regulations applicable to this Agreement. Pegasus agrees that, throughout the term of this Agreement, Pegasus shall comply with the Act, the FCC Rules and all other laws and regulations applicable to the obligations of Pegasus under this Agreement.

3.7 Challenge. If this Agreement is challenged in whole or in part at the FCC or in another administrative or judicial forum, Pegasus and Mystic shall jointly defend the Agreement and their respective performance hereunder, throughout all such proceedings. In the event that any provision of the Agreement or the application thereof to any Person, entity or circumstances shall be deemed invalid or unenforceable to any extent, by any court, administrative agency, or similar governmental authority, the remainder of this Agreement and the application of such provision to other Persons, entities or circumstances shall not be affected thereby and shall be

enforced to the greatest extent permitted by law, provided that, if such invalidity or unenforceability should change the basic economic positions of the Parties, the Parties shall negotiate in good faith such changes and other terms as shall be practicable in order to restore them to their prior positions while still ensuring compliance with the court order or decision, rule, regulation or policy interpretation, application, alteration or modification. In the event that the court, administrative agency or other similar governmental authority does not approve any such reformed or revised version of this Agreement, or approves such reformed or revised version with conditions that have, or would reasonably be expected to have, a material adverse effect on Mystic or Pegasus (or any of their respective Affiliates), or in the event the Parties are unable to reach an agreement as to how to reform the Agreement, such failure to agree or obtain approval shall not be deemed an event of default by either party hereunder.

3.8 Interruption of Operations. If, for any reason, the service of WTLF is interrupted or WTLF does not operate full time at its maximum authorized facilities (“**Maximum Facilities**”), Mystic shall promptly notify Pegasus of such interruption and shall promptly undertake such actions that are necessary to restore the Maximum Facilities.

3.9 Cooperation. From time to time, at the request of Pegasus, Mystic shall give or cause to be given to the officers, employees, accountants, counsel, and representatives of Pegasus: (i) access, upon reasonable prior notice, during normal business hours, to all facilities, property, accounts, books, deeds, title papers, insurance policies, licenses, agreements, contracts, commitments, records, equipment, machinery, fixtures, furniture, vehicles, accounts payable and receivable, and inventories of Mystic related to WTLF, and (ii) all such other information in Mystic’s possession concerning the affairs of WTLF as Pegasus may reasonably request, provided that the foregoing does not disrupt or interfere with the business and operations of Mystic or WTLF.

ARTICLE 4

PAYMENTS

4.1 Services Fee. In consideration for the Shared Services provided pursuant to this Agreement, Pegasus shall be entitled to receive from Mystic a monthly Services Fee, as defined and in accordance with the terms and conditions set forth in Schedule 4.1, provided that, the payment of Services Fees in any month shall not exceed the amount by which the sum of (A) Mystic’s cash on hand at the beginning of each month and (B) the cash flow generated by the Station during such month (including all amounts received under the Advertising Representation Agreement) exceeds Mystic’s Priority Obligations for such month. Mystic shall retain all other revenues subject to the provisions of the Advertising Representation Agreement, except as provided in Section 2.2.3 of this Agreement.

ARTICLE 5

TERM AND TERMINATION; ASSIGNMENT

5.1 Term and Termination. The term of this Agreement shall commence on the date of execution of this Agreement and shall terminate ten (10) years from that date; provided, that, this Agreement shall automatically renew for one additional ten (10) year term unless any Party

notifies the other Parties, in writing, 120 days prior to the expiration of the existing term, of its desire not to renew this Agreement.

5.2 Events of Termination. Notwithstanding Section 5.1, this Agreement shall terminate (i) at the option of Pegasus upon the consummation of the Sale, assignment, transfer or other disposition, directly or indirectly, to a party that is not an Affiliate of Mystic of all or substantially all of the WTLF's assets, including the FCC licenses and authorizations for WTLF; (ii) by mutual written consent of the Parties; (iii) at the option of any Party in the event that following a challenge of this Agreement as set forth in Section 3.7, a court, administrative agency or other governmental authority does not approve any such reformed or revised version of this Agreement, or approves such reformed or revised version with conditions that have, or would reasonably be expected to have, a material adverse effect on Mystic or Pegasus (or any of their respective Affiliates), or the Parties are unable to reach an agreement as provided in Section 3.7 of this Agreement, (iv) upon the election by Mystic if the FCC revokes or fails to renew the WTLH station license and Pegasus or its Affiliate has fully exhausted all of its appeals of such action before the FCC and before any court with jurisdiction over such action; (v) upon the election of Pegasus if the FCC revokes or fails to renew the WTLF station license and Mystic has fully exhausted all of its appeals of such action before the FCC and before any court with jurisdiction over such action; or (vi) at the option of any Party in the event of a material breach of this Agreement by any other Party (provided that the terminating Party is not then in breach), which breach is not cured within 30 days of written notice thereof to the breaching Party.

5.3 Payment of Services Fee. No termination of this Agreement will affect Mystic's obligation to pay any accrued Services Fee or to reimburse any cost or expense incurred by Pegasus pursuant to this Agreement, prior to the effective date of such termination.

5.4 Assignment. None of the Parties may assign its rights and obligations under this Agreement, either in whole or in part, without the prior written consent of the other Parties, which shall not be unreasonably withheld. This Agreement shall be binding upon and inure to the benefit of the Parties and their permitted successors and assigns. The covenants, conditions and provisions hereof are and shall be for the exclusive benefit of the Parties and their permitted successors and assigns, and nothing herein, express or implied, is intended or shall be construed to confer upon or to give any other Person or entity any right, remedy or claim, legal or equitable, under or by reason of this Agreement.

ARTICLE 6

REPRESENTATIONS AND WARRANTIES

6.1 Representations and Warranties of Mystic.

6.1.1 Organization and Standing. Mystic is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware. Mystic has the requisite limited liability company power and authority to enter into and perform this Agreement.

6.1.2 Authorization and Binding Obligations. The execution, delivery and performance of this Agreement by Mystic is within the limited liability company powers of

Mystic and has been duly and validly authorized by all necessary limited liability company action on the part of Mystic. This Agreement has been duly executed and delivered by Mystic and constitutes a valid and binding agreement of Mystic enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, moratorium or other laws relating to or affecting creditors' rights generally and the exercise of judicial discretion in accordance with general equitable principles.

6.1.3 Licenses and Authorizations.

(a) Schedule 6.1.3 hereto contains a true and complete list of all Station Authorizations. Mystic is the authorized and legal holder of all of the Station Authorizations.

(b) The Station Authorizations are valid and in full force and effect, and have been complied with in all material respects. To the knowledge of Mystic, no investigation, notice of investigation, forfeiture, violation, order, complaint, action or other proceeding is pending or threatened before the FCC or any other governmental authority to revoke, refuse to renew or modify such Station Authorizations which could in any manner threaten or adversely affect the Station Authorizations or WTLF's operations as presently conducted. To the knowledge of Mystic, no event has occurred which permits, or after notice or lapse of time would permit, the revocation or termination of the Station Authorizations or the imposition of any restriction thereon of such a nature as may materially limit the business or operations of WTLF as now conducted. Mystic will undertake in good faith to keep the Station Authorizations in full force and effect throughout the term of this Agreement. All returns, notices, reports, statements or other filings currently required to be filed by Mystic with the FCC and all material returns, notices, reports, statements or other filings currently required to be filed by Mystic with any other federal, state, or local governmental authority, in each case with respect to WTLF have been filed and complied with in all material respects.

6.2 Representations of Pegasus.

6.2.1 Organization and Standing. Pegasus is duly incorporated, validly existing and in good standing as a corporation under the laws of the Commonwealth of Pennsylvania. Pegasus has the requisite corporate power and authority to enter into and perform its obligations under this Agreement.

6.2.2 Authorization and Binding Obligations. The execution, delivery and performance of this Agreement by Pegasus is within the corporate powers of Pegasus and has been duly and validly authorized by all necessary corporate action on the part of Pegasus. This Agreement has been duly executed and delivered by Pegasus and constitutes a valid and binding agreement of Pegasus enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, moratorium or other laws relating to or affecting creditors rights generally and the exercise of judicial discretion in accordance with general equitable principles.

ARTICLE 7

INDEMNIFICATION

7.1 Indemnification of Mystic. Pegasus agrees to indemnify and hold harmless Mystic for any liabilities resulting from or related to the broadcast of any Provided Programming, any breach by Pegasus of any provision hereof, and all other matters arising out of or related to Pegasus's obligations under this agreement.

7.2 Indemnification of Pegasus. Mystic agrees to indemnify and hold harmless Pegasus for any liabilities resulting from or related to the broadcast of any material other than Provided Programming, any breach by Mystic of any provision hereof, and all other matters arising out of or related to Mystic's obligations under this Agreement.

ARTICLE 8

MISCELLANEOUS

8.1 Headings; Entire Agreement; Amendment. The article, section and subsection headings of this Agreement are for convenience of reference only and will not control or affect the meanings or construction of the provisions of this Agreement. This Agreement, together with the Advertising Representation Agreement, embodies the entire agreement among the Parties with respect to the subject matter hereof. This Agreement supersedes all negotiations, representations, warranties, commitments, offers, contracts and writings prior to the date hereof with respect to the subject matter hereof, and there are no other agreements, representations, or understandings, oral or written, among the Parties with respect thereto. This Agreement may not be amended, modified or changed orally, but only in writing signed by the party against whom enforcement of any amendment, modification, change, waiver, extension or discharge is sought.

8.2 No Waiver. No waiver of the provisions hereof shall be effective unless in writing and signed by the party to be charged with such waiver. No waiver shall be deemed a continuing waiver in respect of any subsequent breach or default, either of similar or different nature, unless expressly so stated in writing.

8.3 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but which taken together shall constitute one agreement.

8.4 Appendices and Schedules. The Appendices and Schedules attached to this Agreement are incorporated herein and shall be considered a part of this Agreement for the purposes stated herein.

8.5 Remedies. In the event of a breach of Mystic's obligations under this Agreement, Pegasus, in addition to being entitled to exercise all rights provided herein or granted by law, including recovery of damages, will be entitled to specific performance of Mystic's obligations under this Agreement. The parties hereto agree that monetary damages would not be adequate compensation for any loss incurred by reason of a breach of any such obligations of Mystic.

8.6 Rights Cumulative. Except as set forth herein, all rights, powers and remedies herein given to the parties hereto are cumulative and not alternative, and are in addition to all statutes or rules of law.

8.7 Governing Law. This Agreement, and the rights and obligations of the parties hereto, shall be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and to be performed therein.

8.8 Third Party Rights. Nothing in this Agreement (including the Schedules attached hereto, or any ancillary agreement, instrument or document contemplated hereby or relating hereto) shall be deemed to create any right with respect to any person or entity not a party to, or any property not subject to, this Agreement.

8.9 Press Releases. Except as otherwise required by law, Pegasus and Mystic shall, prior to the issuance of any press release relating to the transactions contemplated by this Agreement, (a) submit the text of the proposed press release to the other party, and obtain the approval of such party to the press release, which approval shall not be unreasonably withheld; and (b) use its best efforts to characterize the other party, in any other public statements made by the party making such statement about the other party, on substantially the same basis as in any press release made by the party making such statement.

8.10 Force Majeure. If an event such as a strike, labor dispute, fire, flood or other act of God, war, public disaster, or other reason beyond the cause or control of Mystic or Pegasus prevents such party or its personnel from performing tasks which they are required to perform under this Agreement during any period of time, then such failure will not be a breach of this Agreement and such party will be excused from such performance during that time.

8.11 Notices. All notices and other communications hereunder shall be in writing and shall be deemed given when mailed, delivered personally, telecopied (which is confirmed) or sent by an overnight courier service, such as Federal Express, to the parties at the following addresses (or at such other address for a party as shall be specified by such party by like notice):

If to Pegasus to:

Pegasus Broadcast Television, Inc.
225 City Line Avenue
Suite 102
Bala Cynwyd, PA 19004
Attention: General Counsel
Telephone: (610) 664-2631 ext. 105
Telecopier: (610) 664-2873

with copies to:

Akin Gump Strauss Hauer & Feld LLP
1333 New Hampshire Avenue, N.W.
Washington, DC 20036
Attention: Russell W. Parks, Jr.
Telephone: (202) 887-4000
Telecopier: (202) 887-4288

If to Mystic to:
Mystic Television of Tallahassee LLC
701 Kersey Road
Silver Spring, MD 20902
Telephone: (301) 592-8255
Telecopier: (301) 592-8819

with copies to:

Wolf, Block, Schorr & Solis-Cohen, LLP
250 Park Avenue
Suite 1000
New York, New York 10177
Attention: Stuart A. Shoreinstein
Telephone: (212) 883-4923
Telecopier: (212) 986-0604

or at such other address as either party shall specify by written notice to the other.

IN WITNESS WHEREOF, each party has caused this Agreement to be duly executed and delivered in its name and on its behalf, all as of the date and year first above written.

PEGASUS BROADCAST TELEVISION, INC.

By: _____
Name: _____
Title: _____

MYSTIC TELEVISION OF TALLAHASSEE LLC

By: _____
Name: _____
Title: _____

Appendix A

The term “**Act**” means the Communications Act of 1934, as amended, and the rules, regulations and policies promulgated thereunder, as in effect from time to time.

The term “**Advertising Representation Agreement**” means that certain Advertising Representation Agreement dated as of the date hereof between the Parties, as the same may be amended, supplemented or otherwise modified from time to time.

The term “**Affiliate**” (and, with a correlative meaning, “**Affiliated**”) means, with respect to any Person, any other Person that directly, or through one or more intermediaries, controls or is controlled by or is under common control with such first Person, and, if such a Person is an individual, any member of the immediate family (including parents, spouse and children) of such individual and any trust whose principal beneficiary is such individual or one or more members of such immediate family and any Person who is controlled by any such member or trust. As used in this definition, “**control**” (including, with correlative meanings, “**controlled by**” and “**under common control with**”) means possession, directly or indirectly, of power to direct or cause the direction of management or policies (whether through ownership of securities or partnership or other ownership interests, by contract or otherwise).

The term “**Agreement**” means this Shared Services Agreement, as the same may be amended, supplemented or otherwise modified from time to time.

The term “**Business Day**” means any day excluding Saturday, Sunday and any day which is a legal holiday under the laws of the State of New York or is a day on which banking institutions located in such state are authorized or required by law or other governmental action to close.

The term “**FCC**” means the Federal Communications Commission and its staff, acting pursuant to delegated authority.

The term “**FCC Rules**” means the rules, regulations, policies and practices of the FCC, as amended, from time to time.

The term “**Management Services Agreement**” means that certain agreement dated of [_____] by and between York Street Capital, LP, a Delaware limited partnership and Mystic.

The term “**Manager**” has the meaning set forth in the Management Services Agreement.

The term “**Maximum Facilities**” has the meaning set forth in Section 3.8.

The term “**Mystic**” has the meaning set forth in the preamble hereto.

The term “**Mystic Personnel**” has the meaning set forth in Section 2.2.1.

The term “**Mystic Programming Policies**” has the meaning set forth in Section 2.1.6.

The term “***Operating Conditions Memorandum***” has the meaning set forth in Section 2.1.7.

The term “***Parties***” has the meaning set forth in the preamble hereto.

The term “***Pegasus***” has the meaning set forth in the preamble hereto.

The term “***Pegasus Personnel***” means employees and contractors of Pegasus.

The term “***Person***” means any natural person, corporation, partnership, limited liability company, firm, joint venture, joint-stock company, trust, association, unincorporated entity of any kind, trust, governmental or regulatory body or other entity.

The term “***Priority Capital Expenditures***” means, with respect to the Station, the budgeted capital expenditures of the Station which Pegasus has agreed, in writing, are “Priority Capital Expenditures.”

The term “***Priority Obligations***” means, for any period, in order of priority, (i) amounts necessary for Mystic to pay its expenses, if any, incurred in exercising its duties with respect to WTLF, including without limitation, costs of insurance, programming, bookkeeping, FCC compliance and property maintenance, cash payments due for Priority Capital Expenditures, payments under the Management Services Agreement, as in effect on the effective date hereof, obligations under the Promissory Note, or any other matters that the parties may agree to in writing, and (ii) such reasonable reserves as Station Owner shall establish with respect to contingent liabilities and Priority Capital Expenditures requirements.

The term “***Promissory Note***” means the Promissory Note, dated as of [_____], issued by Mystic to Pegasus Satellite Communications, Inc., and any permitted refinancing thereof.

The term “***Provided Programming***” has the meaning set forth in Section 2.1.5.

The term “***Provided Programming Commercial Time***” has the meaning set forth in Section 2.2.3.

The term “***Public Interest Programming***” has the meaning set forth in Section 3.4.

The term “***Sale***” means (i) a direct or indirect sale, merger, tender offer or other business combination involving Mystic, by means of any transaction or series of related transactions, in which (A) the persons owning, directly or indirectly, a majority of the limited liability company interests of Mystic prior to such transaction do not own, directly or indirectly a majority of the limited liability company interests of the purchaser or surviving person in such combination or (B) the persons with power to elect, directly or indirectly, a majority of the managers or managing members (or body performing similar functions) of Mystic prior to such transaction do not own, directly or indirectly, voting securities of the purchaser or surviving person in such combination with power to elect a majority of the manager or managing members (or body performing similar functions) of such purchaser or surviving person in such combination; (ii) any other transaction or series of related transactions directly or indirectly involving Mystic in which

(A) the persons owning, directly or indirectly, a majority of the limited liability company interests of Mystic prior to such transaction do not own, directly or indirectly, a majority of the limited liability company interests of Mystic following such transaction or transactions or (B) the persons with power to elect, directly or indirectly, a majority of the managers or managing members (or body performing similar functions) of Mystic prior to such transaction do not have, directly or indirectly, the power to elect a majority of the managers or managing members (or body performing similar functions) of Mystic following such transaction or transactions; or (iii) a direct or indirect sale, by means of any transaction or series of related transactions, of all or substantially all of the assets of Mystic. Notwithstanding the foregoing, the withdrawal, resignation or termination of York Street Capital, LP as Manager under the Management Services Agreement, shall not be deemed a “*Sale*.”

The term “*Shared Services*” has the meaning set forth in Section 2.1.

The term “*Stations*” has the meaning set forth in the preamble hereto.

The term “*Station Authorizations*” means (i) all licenses, permits and authorizations issued or granted by the FCC for the ownership and operation of WTLF and all applications therefor, all of which are listed in Schedule 6.1.3 hereto, together with any renewals, extensions or modifications thereof and additions thereto; (ii) all other licenses, permits, authorizations, rights, franchises, privileges, immunities, and approvals required under federal, state or local law to carry on the operation of the business conducted by WTLF as now conducted or proposed to be conducted.

Schedule 4.1

Services Fee

Mystic shall pay Pegasus a monthly Services Fee equal to Forty Thousand Dollars (\$40,000). The Services Fee shall be payable monthly in cash, in arrears, on the first Business Day of the second month that follows the month to which such Services Fee relates, and shall be prorated, if necessary, for any partial months.