

Name	LEGAL NAME OF OWNER OF CABLE SYSTEM: Kraus Electronic Systems Inc.	SYSTEM ID# 62317
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E Secondary Transmission Service: Subscribers and Rates	<p>SECONDARY TRANSMISSION SERVICE: SUBSCRIBERS AND RATES In General: The information in space E should cover all categories of secondary transmission service of the cable system, that is, the retransmission of television and radio broadcasts by your system to subscribers. Give information about other services (including pay cable) in space F, not here. All the facts you state must be those existing on the last day of the accounting period (June 30 or December 31, as the case may be). Number of Subscribers: Both blocks in space E call for the number of subscribers to the cable system, broken down by categories of secondary transmission service. In general, you can compute the number of subscribers in each category by counting the number of billings in that category (the number of persons or organizations charged separately for the particular service at the rate indicated—not the number of sets receiving service). Rate: Give the standard rate charged for each category of service. Include both the amount of the charge and the unit in which it is generally billed. (Example: "\$20/mth"). Summarize any standard rate variations within a particular rate category, but do not include discounts allowed for advance payment. Block 1: In the left-hand block in space E, the form lists the categories of secondary transmission service that cable systems most commonly provide to their subscribers. Give the number of subscribers and rate for each listed category that applies to your system. Note: Where an individual or organization is receiving service that falls under different categories, that person or entity should be counted as a subscriber in each applicable category. Example: a residential subscriber who pays extra for cable service to additional sets would be included in the count under "Service to the first set" and would be counted once again under "Service to additional set(s)." Block 2: If your cable system has rate categories for secondary transmission service that are different from those printed in block 1 (for example, tiers of services that include one or more secondary transmissions), list them, together with the number of subscribers and rates, in the right-hand block. A two- or three-word description of the service is sufficient.</p>					
BLOCK 1			BLOCK 2			
CATEGORY OF SERVICE	NO. OF SUBSCRIBERS	RATE	CATEGORY OF SERVICE	NO. OF SUBSCRIBERS	RATE	
Residential:						
• Service to first set	462	32.00				
• Service to additional set(s)						
• FM radio (if separate rate)						
Motel, hotel						
Commercial						
Converter						
• Residential						
• Non-residential						

F Services Other Than Secondary Transmissions: Rates	<p>SERVICES OTHER THAN SECONDARY TRANSMISSIONS: RATES In General: Space F calls for rate (not subscriber) information with respect to all your cable system's services that were not covered in space E, that is, those services that are not offered in combination with any secondary transmission service for a single fee. There are two exceptions: you do not need to give rate information concerning (1) services furnished at cost or (2) services or facilities furnished to nonsubscribers. Rate information should include both the amount of the charge and the unit in which it is usually billed. If any rates are charged on a variable per-program basis, enter only the letters "PP" in the rate column. Block 1: Give the standard rate charged by the cable system for each of the applicable services listed. Block 2: List any services that your cable system furnished or offered during the accounting period that were not listed in block 1 and for which a separate charge was made or established. List these other services in the form of a brief (two- or three-word) description and include the rate for each.</p>					
BLOCK 1			BLOCK 2			
CATEGORY OF SERVICE	RATE	CATEGORY OF SERVICE	RATE	CATEGORY OF SERVICE	RATE	
Continuing Services:		Installation: Non-residential		Standard Basic	80.00	
• Pay cable		• Motel, hotel		Digital Basic	99.99	
• Pay cable—add'l channel		• Commercial		Cinemax	17.00	
• Fire protection		• Pay cable		Starz	15.00	
• Burglar protection		• Pay cable—add'l channel		HBO	18.00	
Installation: Residential		• Fire protection		Showtime/TMC/Flix!	16.00	
• First set		• Burglar protection		Playboy	16.00	
• Additional set(s)		Other services:				
• FM radio (if separate rate)		• Reconnect				
• Converter		• Disconnect				
		• Outlet relocation				
		• Move to new address				

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K Gross Receipts	<p>GROSS RECEIPTS Instructions: The figure you give in this space determines the form you file and the amount you pay. Enter the total of all amounts (gross receipts) paid to your cable system by subscribers for the system's secondary transmission service (as identified in space E) during the accounting period. For a further explanation of how to compute this amount, see page (vii) of the general instructions located in the paper SA1-2 form. Gross receipts from subscribers for secondary transmission service(s) during the accounting period.</p>	<p>\$88,704 (Amount of gross receipts)</p>
<p>IMPORTANT: You must complete a statement in space P concerning gross receipts.</p>		

L Copyright Royalty Fee	<p>COPYRIGHT ROYALTY FEE Instructions: To compute the royalty fee you owe: • Complete block 1, block 2, or block 3. • Use block 1 if the amount of gross receipts in space K is \$137,100 or less • Use block 2 if the amount of gross receipts in space K is more than \$137,100 but less than or equal to \$263,800 • Use block 3 if the amount of gross receipts in space K is more than \$263,800 but less than \$527,600 See page (vi) of the general instructions located in the paper SA1-2 form for more information.</p>	
BLOCK 1: GROSS RECEIPTS OF \$137,100 OR LESS		
<p>Instructions: As a cable system with gross receipts of \$137,100 or less, the royalty fee that you must pay for this six-month accounting period is \$52.00</p>		
Line 1. Royalty fee for accounting period		\$ 52.00
Line 2. Interest charge. Enter the amount from line 4, space Q, page 8		0.00
Line 3. TOTAL ROYALTY FEE PAYABLE FOR ACCOUNTING PERIOD Add lines 1 and 2		\$ 52.00
BLOCK 2: GROSS RECEIPTS OF \$263,800 OR LESS (but more than \$137,100)		
1. Base amount under statutory formula		\$ 263,800.00
2. Enter amount of gross receipts from space K		_____
3. Subtract line 2 from line 1		_____
4. Enter the amount of gross receipts from space K		_____
5. Enter the amount from line 3		_____
6. Subtract line 5 from line 4		_____
7. Multiply line 6 by .005 (enter figure here)		_____
8. Interest charge. Enter the amount from line 4, space Q, page 8		0.00
9. TOTAL ROYALTY FEE PAYABLE FOR ACCOUNTING PERIOD. Add lines 7 and 8		_____
BLOCK 3: GROSS RECEIPTS OF MORE THAN \$263,800 (but less than \$527,600)		
1. Enter the amount of gross receipts from space K		_____
2. Base amount under statutory formula		\$ 263,800.00
3. Subtract line 2 from line 1		_____
4. Multiply line 3 by .01		_____
5. Royalty due on the first \$263,800 of gross receipts (under statutory formula)		\$ 1,319.00
6. Interest charge. Enter the amount from line 4, space Q, page 8		0.00
7. TOTAL ROYALTY FEE PAYABLE FOR ACCOUNTING PERIOD. Add lines 4, 5, and 6		_____

FILING FEE AND TOTAL REMITTANCE DUE

Filing Fee and Total Remittance Due	<p>1. Royalty Fee Payable for Accounting Period (from Block 1, 2, or 3, above)</p> <p>2. Filing Fee (See the instructions for more information on filing fee calculations)</p>	<p>\$ 52.00</p> <p>\$ 15.00</p>
3. TOTAL AMOUNT DUE FOR ACCOUNTING PERIOD. Add lines 2 and 3		<p>\$ 67.00</p>
<p>Important: Your remittance must be in the form of an electronic payment payable to the Register of Copyrights! See page i of the general instructions in the paper SA1-2 form for more information.</p>		

LEGAL NAME OF OWNER OF CABLE SYSTEM:

SYSTEM ID#

Kraus Electronic Systems Inc.

62317

SPECIAL STATEMENT CONCERNING GROSS RECEIPTS EXCLUSIONS

The Satellite Home Viewer Act of 1988 amended Title 17, section 111(d)(1)(A), of the Copyright Act by adding the following sentence:

"In determining the total number of subscribers and the gross amounts paid to the cable system for the basic service of providing secondary transmissions of primary broadcast transmitters, the system shall not include subscribers and amounts collected from subscribers receiving secondary transmissions pursuant to section 119."

For more information on when to exclude these amounts, see the note on page (vii) of the general instructions located in the paper SA1-2 form.

During the accounting period, did the cable system exclude any amounts of gross receipts for secondary transmissions made by satellite carriers to satellite dish owners?

X NO

YES. Enter the total here and list the satellite carrier(s) below. \$

P

Special Statement Concerning Gross Receipts Exclusion

Name Mailing Address

Name Mailing Address

INTEREST ASSESSMENT

You must complete this worksheet for those royalty payments submitted as a result of a late payment or underpayment. For an explanation of interest assessment, see page (viii) of the general instructions located in the paper SA1-2 form.

Line 1 Enter the amount of late payment or underpayment

x

Line 2 Multiply line 1 by the interest rate* and enter the sum here

x days

Line 3 Multiply line 2 by the number of days late and enter the sum here

x 0.00274

Line 4 Multiply line 3 by 0.00274** and enter here

in space L, (page 6) block 1, line 2, or block 2 line 8, or block 3 line 6

\$

(interest charge)

* To view the interest rate chart click on www.copyright.gov/licensing/interest-rate.pdf. For further assistance please contact the Licensing Division at (202) 707-8150 or licensing@loc.gov.

** This is the decimal equivalent of 1/365, which is the interest assessment for one day late.

NOTE: If you are filing this worksheet covering a statement of account already submitted to the Copyright Office, please list below the owner, address, first community served, ID number, and accounting period as given in the original filing.

Owner

Address

ID number

First community served

Accounting period

Q

Interest Assessment

Privacy Act Notice: Section 111 of title 17 of the United States Code authorizes the Copyright Office to collect the personally identifying information (PII) requested on this form in order to process your statement of account. PII is any personal information that can be used to identify or trace an individual, such as name, address and telephone numbers. By providing PII, you are agreeing to the routine use of it to establish and maintain a public record, which includes appearing in the Office's public indexes and in search reports prepared for the public. The effect of not providing the PII requested is that it may delay processing of your statement of account and its placement in the completed record of statements of account, and it may affect the legal sufficiency of the filing, a determination that would be made by a court of law.