

Special Notice about This Statement of Account

Adjusted Satellite Royalty Fee Rates for Private Home Viewing

Under procedures set forth in the Satellite Home Viewer Extension and Reauthorization Act of 2004 (SHVERA), the royalty rates for analog superstations and network stations were adjusted to 24 cents per subscriber per month. These same rates also apply to digital superstations and network stations. The new rates are effective January 1, 2008. See the *Federal Register*, March 17, 2008, 73 FR 14183.

New Satellite Royalty Fee Rates for Commercial Establishments

Under procedures set forth in the SHVERA, a new satellite royalty fee rate of 48 cents per subscriber per month applies for the retransmission of analog and digital superstations in commercial establishments.

Space D Changes under "Copyright Royalty Fee"

Space D of the form has been revised to incorporate the new rates that apply to analog and digital superstations and network stations for private home viewing and the new rate that applies to superstations for viewing in a commercial establishment.

Electronic Payment of Royalty Fees Required

See the *Federal Register*, August 10, 2006 (71 FR 45739). For detailed instructions concerning electronic payments, contact the Licensing Division between 8:30 AM and 5:00 PM Eastern time by calling (202) 707-8150, faxing (202) 707-0905, or emailing licfiscal@loc.gov for circulars 74A (on payments via wire), 74B (on payments via Automated Clearing House credit), and 74C (on payments using pay.gov), which are also available at www.copyright.gov/circs/circ74. The remittance must be made payable to *Register of Copyrights*.

Photocopy Required

The Copyright Office amended Section 201.11 of Title 37 of the *Code of Federal Regulations* to require that a legible copy of the semiannual statement of account be submitted together with the original statement of account to the Copyright Office, effective July 1, 2005. See the *Federal Register*, May 26, 2005, 70 FR 30366.

Mailing Address

Return the completed statement of account to: *Copyright Office GC/I&R, Satellite Statement of Account, P.O. Box 70400, Washington, DC 20024-0400.*

If you have any questions concerning the use of this form, please contact the Licensing Division at:

PHONE: (202) 707-8150

FAX: (202) 707-0905

EMAIL: licensing@loc.gov

WEB: www.copyright.gov

THIS FORM IS EFFECTIVE FOR THE ACCOUNTING PERIOD BEGINNING JANUARY 1, 2008.
 If you are filing for a prior accounting period, contact the Licensing Division for the correct form.



OFFICIAL BUSINESS United States Copyright Office

FILING DEADLINE: The statement of account must be filed within 30 days after the last day of the accounting period.
 The filing deadline is July 30 for the January–June accounting period and January 30 for the July–December accounting period.

STATEMENT OF ACCOUNT

*for Secondary Transmissions
 by Satellite Carriers for Private
 Home Viewing and Viewing
 in a Commercial Establishment*

General instructions are at the end of
 this form (pages i–iv).

FOR COPYRIGHT OFFICE USE ONLY	
DATE RECEIVED	AMOUNT
	\$
	REMITTANCE NUMBER

FORM SC

Return to:
 Copyright Office GC/I&R
 Satellite Statement of Acct
 P.O. Box 70400
 Washington, DC 20024-0400

*(For courier deliveries,
 see page i of the instructions.)*

Space A

ACCOUNTING PERIOD COVERED BY THIS STATEMENT: (Check one box and fill in the year)

- January 1–June 30, _____ July 1–December 31, _____

Space B

LEGAL NAME OF SATELLITE CARRIER: Your file is established under this name. Give the full name of the owner of the satellite carrier. If the owner is a subsidiary of another corporation, give the full corporate title of the subsidiary, not that of the parent corporation.

 LEGAL NAME OF OWNER OF SATELLITE CARRIER

 BUSINESS NAME OF OWNER, IF DIFFERENT

 MAILING ADDRESS

.....

Give the legal name as it appears in space B:

SPACE D, PART 3 • Computation of the Royalty Fee

1. Enter the grand total superstations for private home viewing subscribers here and multiply by \$0.24 × .24 = \$ _____
2. Enter the grand total network stations for private home viewing subscribers here and multiply by \$0.24 × .24 = \$ _____
3. Enter the grand total superstations for commercial establishments subscribers here and multiply by \$0.48 × .48 = \$ _____
4. Interest Charge. Enter the amount from line 4, space E, page 5 \$ _____
5. Add Lines 1–4. This is the satellite carrier’s total royalty fee \$

Remit this amount in the form of an electronic payment payable to *Register of Copyrights*.

NOTE: *Royalty fees are required to be paid by an electronic payment.* See page i of the general instructions for more information.

Space E — Worksheet for Computing Interest

You must complete this worksheet for those royalty fee payments submitted as a result of a late payment or underpayment. For an explanation of interest assessment, see page iv of the general instructions.

1. Enter the amount of late payment or underpayment \$ _____
× _____ %
2. Multiply line 1 by the interest rate*
 and enter the sum here _____
× _____ days
3. Multiply line 2 by the number of days late _____
× .00274
4. Multiply line 3 by .00274**.
 Enter the amount here (unless \$5.00 or less) and on line 4,
 part 3, space D, (page 5) \$ _____
(interest charge)

*Contact the Licensing Division at (202) 707-8150 or licensing@loc.gov for the interest rate for the accounting period in which the late payment or underpayment occurred.

**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, and accounting period as given in the original filing.

OWNER _____

ADDRESS _____

ACCOUNTING PERIOD _____

Give the legal name as it appears in space B:

Space F — Contact Information

Identify an individual we can write to or call about this statement of account:

NAME _____

MAILING ADDRESS _____

TELEPHONE NUMBER (INCLUDE AREA CODE) _____

EMAIL (OPTIONAL) _____

FAX (OPTIONAL) _____

Space G — Signature

The statement of account must be signed in accordance with Copyright Office regulations.

I, the undersigned Owner or Agent of the Satellite Carrier, or Officer or Partner, if the Satellite Carrier is a corporation or partnership, have examined this statement of account and hereby declare under penalty of law that all statements of fact contained herein are true, complete, and correct to the best of my knowledge, information, and belief, and are made in good faith. [18 USC, Section 1001 (1986)]

SIGNATURE _____

TYPED/PRINTED NAME _____

TITLE/CAPACITY _____

DATE _____

General Instructions

Satellite Carriers and the Copyright Law

Satellite carriers are subject to copyright liability for their use of copyrighted material when they make “secondary transmissions” (retransmissions of television broadcasts) to the public for private home viewing or for viewing in a commercial establishment and they make a direct or indirect charge for that service. Satellite carrier retransmissions of the copyrighted programming embodied in the signals of superstations or network stations are eligible under an optional system of statutory licensing that is established in section 119 of the Copyright Act. A satellite carrier that chooses to obtain a statutory license to retransmit the signals of superstations or network stations to the public for private home viewing or for viewing in a commercial establishment must deposit a statement of account and a royalty fee with the Licensing Division of the Copyright Office twice a year.

How to File the Statement of Account and Royalty Fee

First Study the general information on these pages and the instructions in the statement of account form.

Second Fill out the statement of account form, giving all of the required information about your satellite carrier and about the television stations carried by it. Use a typewriter or print the information in dark ink. If you need more space, indicate that a continuation sheet is attached and use a blank page for that purpose.

Third Certify the statement of account by signing at space G.

Fourth Make an electronic payment (see note below) payable to *Register of Copyrights* in the amount you have calculated in part 3 of space D to cover the copyright royalty fee. *Royalty fees are required to be paid by an electronic deposit.* See the *Federal Register*, August 10, 2006, 71 FR 45739.

Fifth Send the completed statement of account, together with one legible copy of the statement of account, and all continuation sheets to *Copyright Office GC/IE&R, Satellite Statement of Account, P.O. Box 70400, Washington, DC 20024-0400*. For courier deliveries, see www.copyright.gov/mail.html for updated information.

Sixth The Copyright Office will retain your statement of account and make it a part of its public records. You should therefore keep a copy of the entire statement as filed in case you need it for further reference.

NOTE: For detailed instructions concerning electronic payments, contact the Licensing Division for Circular 74, *How to Make Statutory License Royalty EFT Payments*, which is also available via the Internet at www.copyright.gov/circs/circ74.

The related statement of account must be filed by the appropriate deadline. Statements of account and electronic funds transfers received after the filing deadline are subject to interest assessment.

How the Statutory License Works

In general, having a statutory license means that a satellite carrier can retransmit the signals of superstations and, in some instances, network stations without violating the copyright law as long as it complies with certain statutory requirements.

- The satellite carrier can, without negotiated licenses or advance permission from copyright owners, retransmit the signals of any superstation to members of the public and retransmit the signals of any network station to persons who reside in unserved households so long as the retransmission is intended for private home viewing (except that superstations may also be retransmitted for viewing in commercial establishments) and the carrier makes a direct or indirect charge to each subscriber receiving the signals (or to a distributor, in the case of a carrier of superstations).
- The satellite carrier must file semiannual statements of account with the Copyright Office and must also deposit at the same time semiannual royalty payments. The related statement of account must be filed by the appropriate deadline accompanied by a cover letter. The amount of the royalty depends on the number of subscribers to each signal that is retransmitted outside the station’s local market delivered by the carrier each month. However, certain subscribers receiving an out-of-market signal may be excluded from the royalty calculation so long as (1) that signal is deemed to be significantly viewed in the relevant community by the FCC, and (2) those subscribers receive local-into-local service. The royalty must be paid by electronic payment payable to *Register of Copyrights*.
- Any satellite carrier that retransmits the signals of a network station to unserved households must, 90 days after commencing such retransmission, submit to the network that owns or is affiliated with that station a list identifying (by name and address, including street or rural route number, city, state, and zip code) all subscribers to that service and a separate list, aggregated by designated market area (by name and address, including street or rural route number, city, state, and zip code), indicating those subscribers receiving significantly viewed stations. Then, on the 15th of each month, the satellite carrier must submit to the network a list so identifying any persons who have been added or dropped as subscribers since the last list was submitted and a separate list, aggregated by designated market area, so identifying those subscribers receiving significantly viewed stations whose service has been added or dropped. The carrier should contact the Licensing Division of the Copyright Office to determine the name and address of the network contact person to whom the subscriber lists should be submitted.

- The networks should submit to the Licensing Division of the Copyright Office the name and address of a contact person to whom subscriber lists should be submitted by satellite carriers that retransmit a signal of a station owned or affiliated with that network.

Why Having a Statutory License Is Important

Most television broadcasts contain copyrighted programming. Without a statutory license, a satellite carrier that scrambles the signal of a broadcast station and retransmits the signal to subscribers for a fee either has to negotiate licenses for all copyrighted programming it retransmits or risk substantial civil (or, in some cases, criminal) liability for multiple acts of copyright infringement.

Who Can Utilize the §119 Statutory License

Under the statute, the retransmission of a superstation is subject to statutory licensing only if it is made by a satellite carrier to the public for private home viewing or for viewing in a commercial establishment and the carrier makes a direct or indirect charge to the subscriber or to a distributor of the superstation.

The retransmission of a network station is subject to statutory licensing under the same circumstances with the additional requirement that the carrier must retransmit the network station only to unserved households.

If a satellite carrier has contracted with a distributor to market the carrier's retransmission service to the viewing public or otherwise act as an agent of the carrier, it is still the responsibility of the satellite carrier (and not the distributor) to obtain a statutory license for the retransmission service. If a cable system engages in distributorship activities on behalf of a satellite carrier, the cable system or distributor should segregate the subscription fees collected on behalf of the satellite carrier from those collected from cable subscribers pursuant to the section 111 cable statutory license. The cable system should only report in its section 111 statements of account the number of cable subscribers served and the amount of gross receipts collected pursuant to section 111 and should pay only royalties pursuant to the requirements of section 111.

Definitions

- A *satellite carrier* is defined as "an entity that uses the facilities of a satellite or satellite service licensed by the Federal Communications Commission, and operates in the Fixed Satellite Service under part 25 of title 47 of the *Code of Federal Regulations* or the Direct Broadcast Satellite Service under part 100 of title 47 of the *Code of Federal Regulations*, to establish and operate a channel of communications for point-to-multipoint distribution of television station signals, and that owns or leases a capacity or service on a satellite in order to provide such point-to-multipoint distribution, except to the extent that such entity provides such distribution pursuant to tariff under the Communications Act of 1934, other than for private home viewing pursuant to Section 119."
- A *superstation* is defined as "a television station, other than a network station, licensed by the Federal Communications Commission that is secondarily transmitted by a satellite carrier."
- *Private home viewing* is defined as "the viewing, for private use in a household by means of satellite reception equipment which is operated by an individual in that household and which serves only such household, of a secondary transmission delivered by a satellite carrier of a primary transmission of a television station licensed by the Federal Communications Commission."
- A *commercial establishment* means an "establishment used for commercial purposes, such as a bar, restaurant, private office, fitness club, oil rig, retail store, bank or other financial institution, supermarket, automobile or boat dealership, or any other establishment with a common business area; and does *not* include a multiunit permanent or temporary dwelling where private home viewing occurs, such as a hotel, dormitory, hospital, apartment, condominium, or prison."
- A *subscriber* is defined as "an individual or entity that receives a secondary transmission service by means of a secondary transmission from a satellite carrier and pays a fee for the service, directly or indirectly, to the satellite carrier or to a distributor in accordance with the provisions of Section 119."
- *Per subscriber per month* means each subscriber subscribing to the station in question, or to a package including such station, on the last day of a given month.
- A *network station* is defined as "(a) a television station licensed by the FCC, including any translator station or terrestrial satellite station that rebroadcasts all or substantially all of the programming broadcast by a network station, that is owned or operated by, or affiliated with, one or more of the television networks in the United States which offer an interconnected program service on a regular basis for 15 or more hours per week to at least 25 of its affiliated television licensees in 10 or more States; or (b) a noncommercial educational broadcast station (as defined in section 397 of the Communications Act of 1934)."
- A *distributor* is defined as "an entity which contracts to distribute secondary transmissions from a satellite carrier and, either as a single channel or in a package with other programming, provides the secondary transmission either directly to individual subscribers or indirectly through other program distribution entities in accordance with the provisions of Section 119."
- An *unserved household* is defined as a household that (a) cannot receive, through the use of a conventional, stationary, outdoor rooftop receiving antenna, an over-the-air signal of a primary network station affiliated with that net-

work of Grade B intensity as defined by the Federal Communications Commission under section 73.683(a) of title 47 of the *Code of Federal Regulations*, as in effect on January 1, 1999; (b) is subject to a waiver that meets the standards of subsection (a)(14) whether or not the waiver was granted before the date of the enactment of the Satellite Home Viewer Extension and Reauthorization Act of 2004; (c) is a subscriber to whom section 119(e) of title 17 of the *U.S. Code* applies, which provides that, until December 31, 2009, a subscriber who does not receive a signal of Grade A intensity (as defined in the regulations of the FCC under section 73.683(a) of title 47 of the *Code of Federal Regulations*, as in effect on January 1, 1999, or predicted by the FCC using the Individual Location Longley-Rice methodology described by the FCC in Docket No. 98-201) of a local network television broadcast station shall remain eligible to receive signals of network stations affiliated with the same network if that subscriber had satellite service of such network signal terminated after July 11, 1998, and before October 31, 1999, as required by this section, or received such service on October 31, 1999; (d) is a subscriber to whom section 119(a)(12) applies, which provides for (i) recreational vehicles as defined in regulations of the Secretary of Housing and Urban Development under section 3282.8 of title 24 of the *Code of Federal Regulations*; and (ii) commercial trucks that qualify as commercial motor vehicles under regulations of the Secretary of Transportation under section 383.5 of title 49 of the *Code of Federal Regulations*; or (e) is a subscriber to whom the exemption under section 119(a)(2)(B)(iii) applies, which provides for a subscriber to C-band service who received secondary transmission of network stations before any termination of such secondary transmissions before October 31, 1999.

- The term *local market*, in the case of both commercial and noncommercial television broadcast stations, is defined as “the designated market area in which a station is located, and (i) in the case of a commercial television broadcast station, all commercial television broadcast stations licensed to a community within the same designated market area are within the same local market; and (ii) in the case of a noncommercial educational television broadcast station, the market includes any station that is licensed to a community within the same designated market area as the noncommercial educational television broadcast station.” In addition, a station’s local market “includes the county in which the station’s community of license is located.” With respect to a low power television station, the term “local market” means “the designated market area in which the station is located.” Regarding certain areas outside of any designated market area, “any census area, borough, or other area in the state of Alaska that is outside of a designated market area, as determined by Nielsen Media Research, shall be deemed to be part of one of the local markets in the state of Alaska. A satellite carrier may determine which local market in the state of Alaska will be deemed to be the relevant local market in connection with each subscriber in such census area, borough, or other area.”

- The term *low power television station* means a “low power television station as defined under section 74.701(f) of title 47, *Code of Federal Regulations*, as in effect on June 1, 2004. For purposes of this paragraph, the term “low power television station” includes a low power television station that has been accorded primary status as a Class A television licensee under section 73.6001(a) of title 47, *Code of Federal Regulations*.”
- The *designated market area* is defined as “a designated market area, as determined by Nielsen Media Research and published in the 1999–2000 Nielsen Station Index Directory and Nielsen Station Index United States Television Household Estimates or any successor publication.”

NOTE: A satellite carrier does not pay a royalty fee for local retransmission of (1) superstation signals or (2) network signals to subscribers residing in unserved households.

NOTE REGARDING SIGNIFICANTLY VIEWED STATIONS: Pursuant to section 119(a)(3) of title 17 of the *United States Code*, as amended, satellite carriers are not required to pay a royalty for the retransmission of signals to a subscriber who resides in a community where that signal is significantly viewed, as determined by the FCC, so long as the satellite carrier provides local-into-local service to those subscribers under the section 122 statutory license. For a definition of “significantly viewed,” see 47 *CFR* §76.5 and §76.54 of FCC regulations (available at www.fcc.gov).

What a Statutory License Does Not Permit You to Do

The statutory authority given to satellite carriers to retransmit television broadcasts under a statutory license is limited in several ways:

- **Program Alteration or Commercial Substitution.** Satellite carriers are not permitted to alter the content of retransmitted programs; to change, delete, or substitute commercials or station announcements in or adjacent to programs being carried; or to combine the programs with programming from any other broadcast signal.
- **Geographic Limitation on Retransmissions.** Satellite carriers are not permitted to retransmit signals to subscribers that are not located in the United States (the United States includes its territories, trust possessions, and possessions).

Accounting Periods

The statute establishes two six-month accounting periods for purposes of computing the royalty fee and reporting the information called for in the statement of account. The first semiannual period runs from January through June of each calendar year, and the second runs from July through December. You must use these accounting periods whether or not they coincide with the beginning or ending of your satellite carrier’s fiscal year.

NOTE: If there were different owners during the accounting period, only the owner on the last day of the accounting period should submit a *single* statement of account and royalty fee payment covering the entire accounting period.

Filing Dates

Satellite carriers are given 30 days after the close of each accounting period in which to file their statements of account and royalty fees:

- For the January–June accounting period:
File between July 1 and July 30, inclusive;
- For the July–December accounting period:
File between January 1 and January 30, inclusive.

Statements of account and royalty fees received before the end of the accounting period will not be accepted. Statements and fees received after the July 30 or January 30 deadlines will be accepted for whatever legal effect they may have, if any. The Copyright Office takes no position as to what this effect will be, and a satellite carrier that files late runs a substantial risk of copyright infringement.

Interest Charges for Underpayments and Late Payments

Underpayments or late payments received after the filing deadline shall be subject to an interest assessment. Satellite carriers must calculate their own interest charge. (A worksheet is provided at space E, page 5.) The interest rate set for a specific accounting period is the U.S. Treasury Current Value of Funds Rate in effect on the first business day after the close of the filing deadline for that accounting period. Satellite carriers can obtain the interest rate for the applicable accounting period(s) by contacting the Licensing Division at (202) 707-8150 or *licensing@loc.gov*.

For underpayments and late payments, the interest shall begin to accrue on the first day after the close of the filing date for that accounting period. The accrual period ends on the date that the remittance is received in the Copyright Office.

NOTE: The Office shall not require, nor notify a satellite carrier of, an interest charge of \$5.00 or less.

Refunds

Refund requests must be received within 30 days after the close of the filing period (by March 1 or August 29), or before the expiration of 30 days from the date of receipt at the Copyright Office of the royalty payment that is the subject of the request, whichever time period is longer. Contact the Licensing Division for additional information.

<p>PRIVACY ACT ADVISORY STATEMENT (Required by Privacy Act of 1974, P.L. 93-579)</p>	<p>But If the Information Is Not Furnished:</p> <ul style="list-style-type: none"> • It may be necessary to delay placement of this statement of account in the completed record of statements of account • You may be liable for civil or criminal penalties for copyright infringement with respect to retransmission of television stations (17 USC §§502–506, 509–510) 	<p>Principal Uses of Requested Information:</p> <ul style="list-style-type: none"> • Establishment and maintenance of a public record • Examination of the statement of account for compliance with legal requirements 	<p>Note:</p> <ul style="list-style-type: none"> • No other advisory statement will be given to you in connection with this statement of account • Please retain this statement and refer to it if we communicate with you regarding this statement of account
<p>Authority for Requesting This Information:</p> <ul style="list-style-type: none"> • Title 17 USC §119 		<p>Other Routine Uses:</p> <ul style="list-style-type: none"> • Public inspection and copying • Preparation of public indexes • Preparation of search reports upon request 	
<p>Furnishing This Information Is:</p> <ul style="list-style-type: none"> • Voluntary 			