

## FAQ

### **Q. What if I want to work as an independent contractor?**

**A.** The law places the burden and liability for worker classification on the employer regardless of how the potential employee wants to be classified. There have been recent court cases in California involving crew where the courts have ruled that even incorporated crew must be treated as employees. Although the ruling only applies in California, under the legal principal of “Stare Decisis” (standing precedent), many employers are no longer willing to risk the substantial penalties of misclassification. Further, in 1995 the IRS issued specific audit guidelines regarding the three classification categories of talent and production personnel.

As a general rule, unless you can show that you have maintained workers compensation and unemployment accounts and general liability policies for at least 1 year prior to an employment opportunity, there is little chance of being categorized as an independent contractor if you are in IRS categories two or three as defined in the 1995 IRS guidelines.

### **Q. With whom do I negotiate my compensation, hours, reimbursements etc?**

**A.** Many working conditions have been negotiated in advance between Falcon and the producer/client. These are addressed in this FAQ. Unless notified otherwise you are free to negotiate actual compensation directly with the producer. Note that there is nothing in this FAQ that prevents a crewmember from negotiating terms that are more favorable than those described here.

### **Q. When will I be paid?**

**A.** Checks will be written on Mondays for any work completed one week prior to the payday. For example, if you worked Monday January 1<sup>st</sup> through Friday January 5<sup>th</sup>, you would be paid on Monday January 15<sup>th</sup>. If payday Monday is a legal holiday, checks will be sent on Tuesday. Checks will be sent to the address you provide on the enclosed forms.

### **Q. Can I be paid by Direct Deposit?**

**A.** Yes, if you would like to receive your pay via direct deposit, simply complete the direct deposit authorization form. If you opt for Direct Deposit, you will also receive a statement via mail. Direct Deposit funds will be credited to your account on Wednesday.

### **Q. How will this affect my take-home pay?**

**A.** As an employee, Federal, state and local income taxes and your half of Social Security and Medicare taxes will be withheld from your check. The other half of Social Security and Medicare will be paid by Falcon. As a general rule, if an individual has been properly reporting income, this will not affect an individual's annual after-tax income or tax liability. Falcon will provide you with a W-2 for your prior year earnings and reimbursements as required by law.

### **Q. Will I be eligible for health insurance or other benefits?**

**A.** Unless you are engaged for a union production you will not be eligible for any potential union health or retirement benefits. However, you will be covered by workers compensation and unemployment insurance. Federal Unemployment Tax (FUTA) will also be paid by Falcon.

### **Q. Can I adjust my withholding exemptions?**

**A.** Yes, just call Falcon and request a new W-4. Please be aware that under IRS rules, the employer is required to report any individual claiming 10 or more withholding allowances. You should also note that the IRS is cracking down on individuals who claim a high number of withholding allowances with the result that they owe a significant amount in tax at the end of the year. If you are claiming an abnormally high number of allowances, you may be asked to substantiate them.

### **Hazardous Work**

Due to insurance regulations, hazardous work - including smoke, wet work, the operation of certain vehicles/equipment etc - requires the prior written consent of Falcon and the consent of the crew person.

### **Meals and meal periods.**

The vagaries of production can make it difficult to schedule meal periods for all crew to eat at the same time. But as a general rule, each crewmember should get a one-half hour break every 6 hours from call time. Up to 1 hour per day of actual meal periods are not compensable.

### **Mileage**

Mileage at 35 cents per mile is payable for intervening travel if the employee is required to use his/her own vehicle. Mileage is not payable for travel to the first reporting location or from final location to home.

### **Overtime / Holidays**

You will be paid overtime (time and one-half) if your authorized work hours exceed more than 8 hours in a 24-hour day. If the crew person is booked for 40 hours in a work week by the same producer for a single project, overtime is payable after 40 hours. But, if a crew person's 40-hour booking will result in another Falcon producer having to pay premature overtime, the crew person is required to inform the producer in advance of the booking.

Overtime is accrued in 15-minute increments.

Other premium pay is subject to negotiation on a "favored nations" basis. i.e. if one Falcon crew person gets it – all Falcon crew get it.

### **Per Diems**

Per diems for out of town travel will be based on the CONUS rates, but may vary as needed. These should be negotiated between the producer and Falcon prior to departure.

### **Record Keeping**

The crew person is required to fully complete and sign the Falcon Crew Time Sheet before submitting it to the producer for approval and submission to Falcon. Falcon will not accept time sheets that are not completed by the crew person. On the time sheet, remember that even if booked for a 10-hour day, regular time is payable for the first 8 hours and those first 8 hours and subsequent hours must be itemized on the time sheet.

### **Reimbursements for authorized expenses.**

If you have out of pocket expenses that the producer has agreed to reimburse, simply attach the receipts to the Falcon Time Sheet and you will be reimbursed. Please note that under IRS rules an itemized receipt must be submitted to substantiate Kit Rentals. If the rentals are not substantiated, Kit Rentals will be subject to withholding taxes at the same rate as wages. In the absence of prior negotiation between Falcon and the producer, it is understood that airfare, lodging, cab fares, etc are to be provided in advance or reimbursable.

Certain un-reimbursed expenses may be deductible. Please consult you accountant or tax attorney.

### **Travel Time**

Intervening travel from point of first-call to dismissal is work time. Round trip travel to or from a distant first-call or lodging point (more than 2 hours/110 miles) is work time to a maximum of 8 hours at straight time. If air travel is involved, travel time is calculated from the scheduled departure of the flight to scheduled arrival. Under no circumstances shall travel time be a factor in the calculation of double-time.

### **Turnaround**

Crew must be given sleep time of no less than 6 consecutive sleep hours in any 24 hour period. Travel to/from a point of lodging may not invade sleep time.

### **Work Day**

Minimum call is two (2) consecutive hours. If you are booked for a guaranteed number of hours, you cannot be downgraded except in the event of "Force Majeure" (massive power outages, tornadoes, terrorist attack etc.). If you accept work on a "Weather Permitting" basis, it is the producer's obligation to notify the crew of work cancellation, via telephone, at least one-hour prior to call time. If this procedure is followed, no payment is due. If the work is mutually rescheduled for later in the day, the time between notification and the new starting time is not compensable.

### **Work Week**

Monday through Sunday. There is no restriction on how many days or hours a crew person may agree.

**Q. Who should be called if there are situations on the set that cannot be mutually resolved among the crew and producer?**

**A.** In this unlikely event, the producer should contact Mark Krausz of Falcon at 800-515-9896 ext 1. (This number follows him during and after business hours).

**Q. Whom do I contact if I have routine questions about my check, benefits, etc?**

**A.** Please contact Barbara Gray or Tom Allamon at Falcon. 800-515-9896. Email: [mail@falconpaymasters.com](mailto:mail@falconpaymasters.com). Falcon's offices are at 1429 King Avenue, Suite 10 Columbus, Ohio 43212. Parking is available at the rear of the building EXCEPT in the spaces on the East (far right) side of the parking lot.