

EXCERPT FROM *THE OFFICERS' EDGE*, SPRING 2003
FORM LS-1 QUESTIONS & ANSWERS

Due to overwhelming response to the new Single Engagement Pension Form (Form LS-1), we are offering this list of questions and answers to help clarify the proper way to use the form.

- 1) ***What IS the LS-1?*** This form is an alternative to the standard Pension Participation Agreement. It permits a “casual employer” (for a single gig) or someone designated by the employer to pay pension contributions to musicians for a live performance.
- 2) ***Can the LS-1 be used for instrument repairmen or music teachers?*** No. This may be used for single engagement live musical performances, such as recitals, chamber music, club dates, weddings, parties and funerals.
- 3) ***I have a musician who has multiple engagements with the same employer during a period of not more than 31 days. Is the report and check for the LS-1 due 30 days from the first engagement or 30 days following the final engagement?*** The check to the Pension Fund must be sent no later than the thirtieth day after completion of the final engagement.
- 4) ***Can the father of the bride or the bandleader be the employer on the LS-1?*** Yes.
- 5) ***Is the leader eligible to be listed on the form?*** Yes, if the employer is the father of the bride. If the employer is the bandleader, the bandleader is eligible to be listed only if the bandleader is incorporated.
- 6) ***For the bandleader to be the employer and make contributions to the Pension Fund on behalf of himself, must he be incorporated, a sole proprietorship, or a partnership?*** If the bandleader is the employer, he must be incorporated in order to make pension contributions on his own behalf. If the father of the bride signs the LS-1 as the employer, the bandleader, whether a sole proprietorship or partnership may be the designee and make payments on his own behalf in addition to payments for the other musicians.
- 7) ***If the father of the bride is willing to sign the LS-1 as the employer does he write two checks, one for the gig pay and one to the AFM-EP Fund?*** The father of the bride may do as you have described. However, he may also designate the bandleader to make the pension payment. In that case, he remits only one check to the bandleader that is inclusive of the wages and required pension contribution.
- 8) ***From what account should the check be drawn?*** If the employer is submitting the pension contribution, then it should be drawn on the employer’s bank account. If the employer designates the bandleader to make the pension contribution, then the check should be drawn on the bandleader’s bank account.
- 9) ***I thought that one of the problems the LS-1 was intended to fix was that the father of the bride didn’t want to sign anything that designated him as the employer for legal purposes. Won’t he be the employer on the LS-1?*** Yes.
- 10) ***If the employer defaults on the job, does the local that signed the contract or the Federation handle the enforcement?*** The local should initially address the problem and immediately notify the AFM-EP Fund about the default.
- 11) ***What happens if the father of the bride names the bandleader as designee and then the leader fails to make the contributions? Is the father of the bride still liable for the payment to the Fund?*** Yes.
- 12) ***Which local signs the LS-1? The home local or the local where the gig is played?*** The LS-1 should be signed by the officer in the home local (where the bandleader resides). This will allow for better consistency in monitoring pension contributions.
- 13) ***Can the employer or the individual musician leave their social security number off the form?*** Musicians will not receive pension credit unless their social security numbers are on the form. The employer should put his social security number on the form.
- 14) ***If the home local signs, what happens if it’s for less than the scale for where the gig took place?*** AFM bylaws proscribe that no one can charge less than the scale established by the local in which the gig is played.
- 15) ***If the home local signs, which local receives the work dues?*** The home local must remit a work dues payment to the local in which the

engagement was performed, consistent with AFM Bylaw Article 8, Section 8(h).

- 16) ***If the local having jurisdiction signs, what happens if a non-local member presents an already negotiated, under-scale LS-1 for signature?*** Members must charge the minimal scale wage of the jurisdiction in which they wish to perform.
- 17) ***Can the father of the bride bypass the Local and send the check and form directly to the AFM-EP Fund?*** The Pension Fund will not accept an LS-1 Form without the signature of a local officer. Upon the conclusion of the engagement, the form should be delivered to the local officer along with the check for processing and submission to AFM-EP Fund.
- 18) ***How low can wages be on the form?*** No less than the scale wage for the engagement.
- 19) ***My understanding is that pension contributions may not be greater than 15% of wages. Is that for scale wages or total wages (including overscale)?*** The wage, as reflected in the Pensionable Compensation box on the LS-1 remittance form is the scale wage for pension purposes.
- 20) ***Are there any limits, maximums or minimums to the percentage of wages that can be put toward pension?*** Federation agreements call for a 10% contribution. The Fund has accepted contributions as low as 4% and as high as 15% for local single engagements.
- 21) ***What is included in non-pensionable compensation?*** It could be travel, non-contracted overscale, tips, parking, uniform cleaning, cartage, or meal reimbursements.
- 22) ***Is this the normal progression of the form: The father of the bride signs it, designating that the bandleader pay the pension contribution, then writes a check for the bottom line. The bandleader then sends in the form and the pension contributions to the AFM-EPF?*** You are correct until the last step. The local officer must sign the LS-1. Therefore, the local union should transmit the form and the pension contribution to the AFM-EP Fund.
- 23) ***Can the Federation put out a time-line of a typical LS-1 casual engagement contract, including normal contract things, like billing and paying work dues to the local?*** A possible time line might look like this:
 - A. A bandleader books a job.
 - B. The bandleader calls the local for an LS-1 AFM form.
 - C. The bandleader gets the form signed by the father of the bride.
 - D. The band plays the job.
 - E. The bandleader sends a check along with the form to the local for processing within thirty days after completion of the engagement.
 - F. The local officer reviews the form and if everything is in order, signs the form and sends it along with the check to the AFM-EP Fund. The local officer should also make a copy of the check for future reference and send a copy of the LS-1 to the bandleader if he/she did not previously retain it.
 - G. The local bills the band, or the leader of the band, depending on the local's bylaws, for work dues at the applicable rate.
- 24) ***I am having trouble downloading the LS-1 form from the web site. I have Adobe Acrobat 5.0. When I click on the link, Adobe starts to open, but then my screen goes blank and nothing uploads.*** The file has been reduced in size, making it easier to download using a 56K modem. To download, right-click on the link and choose "save target as". This allows you to download the file directly onto your computer and then open it.

To ensure that LS-1 forms are transmitted through your local, the local must be a signatory to the Fund's Cash Receipts Procedures for Locals that Receive Pension Contributions Directly from Employers. If you have not done so, call the Fund's Accounting Department at (800) 833-8065 to enroll.