



Minor Trust Deduction Guidelines – California

Trust deductions for minors are no longer optional: Under California State Senate Bill No. 1162 and 210, all unemancipated minors that are residents of California no matter where they work, and any minor that works in California no matter where they are residents **must have 15% of their gross earnings** deducted and placed in approved trust accounts. Entertainment Partners (EP) requires that certain information be provided to deposit money into the minor's trust account. In order for EP to make the necessary deposit, the attached form must be completed and returned to EP. Please note, however, that no authorization is actually needed to deduct the statutory 15%. EP will automatically deduct 15% of gross earnings from each minor's check.

New Coogan Law Information SB1162 and 210: It is solely the responsibility of the parent and/or guardian to establish the blocked trust account for their minor child. When EP deducts the 15% required by law and no trust account has been set up, EP will deposit those monies into a non-interest bearing account. If a trust account is subsequently set up, then EP will deposit all monies for that minor into that Blocked Trust Account. If no trust account is ever set up, EP will keep the funds in its non-interest bearing account for up to 180 days, SB210 requires that these funds be turned over to "The Actor's Fund of America" as trustee. Also, if EP is not aware that the employee is a minor, and payments are processed without deducting the 15%, as soon as EP is notified of minor status, past deductions due will be recouped from current payments if possible. If not possible, then EP will look to the production company to pay the full deduction amount into the minor's trust account.

What Parents Need To Know:

- Earnings are considered the separate property of the child and cannot be accessed until the child reaches 18 or becomes emancipated.
- The parent/guardian must provide a certified copy of the child's birth certificate to EP indicating that the child is a minor.
- The parent/guardian must obtain a Minor's Work Permit. This permit will be valid for ten (10) business days, unless it is attached to a true and correct copy of the trustee's statement evidencing the establishment on behalf of the minor of a "Coogan Trust Account". If the permit is attached to a true and correct copy of a trustee's statement, the permit shall be valid for a six month period. A copy of this permit must be submitted to EP.
- Even though the Coogan Law requires the parent/guardian to set up this trust account within seven (7) days after the child's contract is signed by the minor and employer, EP requests that the blocked account be set up prior to the minor actually performing the contracted work.
- The parent/guardian must set up such blocked trust account at a California bank, savings and loan or credit union and the account must be insured by the Federal Deposit Insurance Corporation (FDIC), the Securities Investor Protection Corporation (SIPC), or the National Credit Union Share Insurance Fund (NCUSIF).
- The parent/guardian must submit along with the attached form, a true and accurate photocopy of any information received from the financial institution confirming the creation of the account, such as the account agreement, passbook or a similar writing.
- If any changes are made to the trust account, including changing the financial institution or account number, the parent/guardian must immediately notify EP in writing of such changes.

Court Approved Minor Contracts: A parent and/or guardian may no longer choose to have more than 15% deducted from their minor child's earnings. The statutory maximum limit is 15%. To insure that the blocked account is in compliance, the court will specify that a copy of the court order be submitted to the bank. If the court order is not available at the time of the initial deposit, the payment



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of funds will not be delayed. EP will send the court order to the financial institution upon receipt from the client.

Other Than California Minors: If the minor child is not a resident of California or working in California, then the parent/guardian may, on a voluntary basis only, elect to have a percentage of the minor child's gross earnings withheld and placed into a Blocked Trust Account in accordance with either a Court Order or by completing one of the attached forms authorizing EP to withhold the specific amount desired. (For minors working in New York see separate instructions.)

General Information: Once money has been deposited into a blocked account, it cannot be withdrawn without a court order. Please be sure to let us know immediately of any check that has a trust deduction, which is wrong or void. If an error is found subsequent to the deposit, we will cancel the original check and bill you for the deducted amount. Your company is a party to the contract and is therefore responsible for arranging with the bank for reimbursement.

If you have any questions, please do not hesitate to contact Sandra Criscione in Employee Services at 818.955.6099.