

Insurance, Accounting & Estate Planning

Planning for the afterlife – your digital one, that is

BY THERESA KEEGAN

You can't take it with you when you go is a phrase often associated with money and death, but it should also now include another asset: digital presence.

"Everybody is using the Internet for something or other," says attorney Bernard Krooks. "But many people don't think about what will happen to those accounts when they're no longer here."

And so planning for their fate is becoming just as important as planning for who will receive the family heirlooms and who will wind up disappointed at the next antiques road show.

"The law has not kept pace with the development in these areas," says Krooks. "We don't know who has what rights to these digital assets."

The best way to avoid a problem down the line is to plan accordingly now. Krooks suggests starting with compiling the basic account information including, especially, passwords for all on-line activity.

The challenge is finding a way to store the passwords so they remain private. Options include creating an actual sheet of paper with the account info and passwords, although that can be lost. Storing them on a remote thumb drive or creating a file on your hard drive, is an option although that can be compromised.

Trusted family members could have access to a password file, but sometimes even the most stable familial relationship can turn south or new on-line "safes" are cropping up, but again there is concern about how fool-proof the technology truly is.

"It's a personal preference thing," he says. "But it's a topic that should be addressed."

One storage option Krooks vehemently warns against is making account information part of your will. Once an estate is probated, that information becomes public.

"Wherever you store it, do it diligently," he cautions. "You need to have a list that's readily accessible, by your loved

ones, so they can access your accounts as necessary."

And the accounts transcend just financial institutions, although they are a key part of estate planning. They can also include blog sites, picture files and even emails.

He mentions situations where bloggers have died, but a person keeps posting and maintains the blog.

"Who actually owns the blog?" Krooks asks rhetorically. "Is it owned by the company or the author? The courts and legislators have not addressed it yet."

Carrying out a deceased loved-ones wishes may be challenging, but with adequate direction it can help those left in the grieving process.

"They may not want something to happen, or they may want them to continue," Krooks says of web sites and domains owned by the deceased person. "Many people don't think about what will happen to those accounts when they're no longer here."

Clear direction should be given not just about domain names but also about how to proceed with their maintenance, and that discussion should happen prior to walking into the attorney's office.

"The main reason you want to make this master list is to make it easier for your family. You don't need a lawyer to draft a letter of intent," says Krooks. "and it will make the estate planning process go a little smoother."

Even traditional accounts that have named beneficiaries should be compiled with the master list to avoid being tangled in red tape when it comes time to divide the estate. Krooks has not yet seen an uptick in clients who want to address cyber-issues before they die, but as a specialist in estate planning, he knows a little action now can avoid big headaches down the line.

"We're trying to help clients get ahead of the curve," he says. "We want to get people to think about how they want to handle it."