

Want To Have An Organized Estate Plan? Track Your Passwords And Accounts

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The headlines surrounding Matthew Mellon's recent death in Mexico read like a James Bond mystery. The heir of a banking dynasty took \$2 million and turned it into a \$1 billion bitcoin fortune. Paranoid and fearful, he hid his money around the world in multiple accounts with various passwords. When he died, no one really knew where he had parked all the funds nor the passwords to access them.

This current drama surrounding the Mellon estate is just a grand-scale version of those facing most estates here in the United States. In this age of technology, we live in online worlds of accounts and passwords – from Facebook to our bank account to our email accounts. Have **you** taken the appropriate steps to track your assets and the access to them? Or are you leaving your estate executors in the dark, as Mellon did.

Same Issues, Different Times

In the 1980s and 1990s, it became popular among estate attorneys and financial planners to use what was called an estate document locator. This was a non-legal document people could use to list their bank accounts, codes to their safe and other information needed to administer the estate that is not included in legal documents.

In fact, the most organized individuals could be incredibly detailed and meticulous with the estate document locator. One of the most creative was a woman who included her Christmas Card list in her document locator so that those people could be notified of her passing.

As we have moved to a more tech driven era, online tools have evolved to provide the same benefit. Aptly called 'Death Apps' these sites and apps encourage individuals to map out their passwords and other key account data in a digital manner that is stored in a vault for executors and beneficiaries.

Regardless of whether you choose paper or go digital, let someone know where and how to look, because these documents and tools are worthless if no one can find them.

What Are You Trying to Track?

In some ways, being named the executor to an estate is a bit like being handed a puzzle. While legal documents help with the distributive provisions, navigating the greyer areas take time. Organization and access will allow the executor to administer with ease. Categories to consider include:

- **Financial Accounts** – A good place to start (and often the most obvious) is to create a net worth statement of assets. This provides a way to note all the financial institutions you deal with. On this statement, you should also include credit cards, safe deposit boxes and any other financial ties you have.
- **Human Resource Components** – Most of us have benefits from our employer, such as a 401k account, AD&D and Group Term Life Insurance. Having a consolidated list of benefits and a contact in your HR department facilitates things for the executor. One of the best times to compile this data is at annual enrollment. It gives you a chance to update your list with the benefits and contact person.
- **Internet Accounts** – The second document you should create is a list of all your online accounts. These range from social media (Facebook, Twitter, Instagram and LinkedIn) to storage like ShutterFly and DropBox. Your executor can't guess every internet account you have, so give them some help.
- **Key Relationships** – There are individuals who are essential to the smooth administration of your estate – your attorney, CPA, financial planner or investment firm. But don't forget other key relationships that will have an impact on your estate such as your HR contact, life insurance agent and other similar people.

By noting all of this information in a single place, you create a valuable framework.

An Annual Ritual

Keep in mind that creating the breadcrumb trail for your executor is not a "set it and forget it" ritual. This data changes fairly regularly. It's important to update this information annually. Perhaps it becomes a New Year's Day ritual or something you do during open enrollment. Regardless of when you do it, it's essential to keep your financial life in order.

It will likely take the Mellon estate years to track down Matthew Mellon's bitcoin fortune, and it might never all be found. If you take the time to update your data annually, in whatever format is most comfortable, your executor will have an excellent breadcrumb trail for the smooth administration of your estate.

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