



# North American Management

## Financial Planning Note

**Lea Ann Knight, CFP®**  
Director of Wealth Management

### PLANNING FOR YOUR DIGITAL ASSETS

With the recent controversy around Apple's refusal to unlock an iPhone, it might be a good time to think about your own digital assets. If the Federal government couldn't get Apple to budge, imagine the difficulty your heirs may have accessing your electronic files after your death.

Many of us have been diligent about creating and updating our standard estate documents – wills, trusts, powers of attorney. These documents name an executor who will ensure an orderly distribution of our physical assets. But have you made any plan for someone to have access to your digital assets after you're gone? Being able to access online financial accounts, stored digital photographs, email addresses and correspondence, as well as social media content, is likely to be very important to your heirs. And unfettered access may not be as easy as you think once the service providers associated with this electronic data become aware of your death.

Balancing privacy with reasonable access according to a subscriber's wishes has become an increasing focus not only for companies like Apple, Google and Yahoo, but for many state legislatures as well. As case law builds on the right to access digital assets after death, we will likely see more uniformity among all providers in how they handle digital legacies. In the meantime, there are some basic steps you can take to minimize the difficulties your heirs could face in the future.

**Take an Inventory.** Digital assets can generally be grouped into four categories: storage hardware (computers, smartphones), online financial accounts, email accounts and social media accounts. To get started, create a simple spreadsheet like this:

Name of Asset	Location	User Name	Password	Instructions
Laptop	Den	Username1	12345!	Share photos with family; financial files to executor.
Checking account	www.mybank.com	Username2	6789@	Daughter is named as Transfer on Death beneficiary

**Name a Digital Executor.** This should be someone who is comfortable navigating your computer's software programs and your online accounts. Right now, only the executor named in your will is recognized under the law, so if your digital executor is different than your legal executor, you will want to make sure they can work together easily. The digital executor is there to distribute or delete your digital assets according to your wishes.

**Consider Content on Your Devices.** Determine if there are certain types of files on your computers, smartphones, tablets, iPods, etc. that you want archived, shared or deleted when you

are gone. Identifying these groups ahead of time will guide your digital executor. The terms of your will dictate who gets the physical devices, but specifying which content is important to keep and which can be deleted will protect your privacy while ensuring critical or sentimental data is shared with the right people.

**Identify All Financial Accounts Online.** Many of us only access our bank and/or investment information online these days. While the assets in these accounts will be distributed under the terms of your will (or trust), you still need your digital executor to have access to these accounts online. Perhaps you have set up automatic payment for certain services or have a mortgage payment coming due. Do you use PayPal or EBay? These are also financial accounts that your digital executor will want to shut down as quickly as possible to avoid future fraud. Credit cards, utility accounts, real estate taxes, etc. are increasingly handled online. Giving your login ID and password to your digital executor will allow him or her to make final payments or shut off automatic deductions from a bank account.

**Consider How to Handle Email.** With the demise of physical mail, email has become a primary way of managing our day to day communications, both personally and professionally. Giving your digital executor some instruction on how to handle your email (past and future) is critical. If your inbox is like mine, a lot could be immediately deleted, but emails on certain topics or from certain senders may need to be archived or forwarded. A digital executor can set up archiving and forwarding, along with an auto response alerting senders of your death. In fact, there are even services that will send out a posthumous email written by you. Who says you can't have the last word?

**Know Your Terms of Service for Social Media.** The "value" of many social media accounts continues to be a subject for debate. Hours spent creating content on Facebook or Twitter, Instagram or Snapchat, could be a pleasurable distraction at best. But the content on these accounts is absolutely a part of your digital legacy, and more than one family has gone to court to gain access to loved ones' postings. Spend a few minutes understanding what happens to each of these accounts once the service is notified of your death. For example, Facebook can memorialize your page and allow friends to post remembrances on your Wall. Yahoo terminates the account upon receipt of a death certificate and specifies that the account has no right of survivorship and is non-transferable. Twitter, by contrast, seems to be the most helpful, even offering to archive your tweets for your heirs. And, if you have a blog or a website, allowing your digital executor to archive your work and shut down the site appropriately will protect your legacy.

With the rapid changes in technology, your digital legacy will continue to change as well. By taking these few steps now, you will not only be easing the transfer of important information to your heirs, but you will also be helping them preserve more precious memories of you.

#### **North American Management**

Ten Post Office Square, Suite 1200S

Boston, MA 02109

Telephone: 617.695.2136

Fax: 617.695.2121

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