

Preparing for the Digital Afterlife

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I've long held in great importance the concept of helping clients make sure their affairs are in order should anything happen to them. The right planning can ensure loved ones do not have to deal with financial complications during times of emotional distress.

That's why I took great interest when I read a while back about American money advisor James Starr's¹ legacy drawer concept – a drawer in your home, containing all of the important information your family needs in case something happens to you.

It's not just a case of just writing a will for each jurisdiction in which you hold assets; although too many people fail even to do this, potentially leaving their family with awful legal headaches. Whether you're single without children or in your seventies with a host of grandchildren, a legacy drawer is vital. It should be in your home and contain everything that has to do with your finances and be organised in a way that any document can be found in seconds.

Brave New World

I think this idea is excellent. However nowadays, in our increasingly complex online world, it may not go far enough. We now have to think more broadly about accessing all our different possessions, both physical and digital – be they of material or sentimental importance.

Digital assets which can be monetized, such as internet-based bank accounts, PayPal accounts; air miles accounts; or even digital currency accounts, such as Bitcoin, are all accessed using passwords.

Not only that: photograph, book, music and film collections all used to be physical memories and legacies; yet nowadays many of us store these digitally.

James Starr's suggested legacy drawer contents:

1. Cover Letter
2. Financial Account
3. Funeral Instructions
4. Insurance Policies
5. Important Documents
6. Personal Letters
7. Monthly Budget
8. Passwords.
9. Tax Returns
10. Will and Estate Plans

Source: Charisma Mag

¹ <http://www.charismamag.com/life/men/17546-every-household-needs-a-love-drawer>

What do you actually own?

Whilst stories about actor Bruce Willis suing Apple over future ownership of his music collection were a media fabrication, it does bring access and ownership into question. Once we upload photos to social media, a public cloud or when we buy digital music files, do we actually own them and can our loved ones inherit them? Sometimes digital content is not transferable to others, as when we buy or store content we only buy the rights to access it, not the actual file itself.²

Of course it all depends on the terms and conditions of the storage provider, which many of us never read -as demonstrated recently when, by agreeing to the terms and conditions, some people unwittingly gave up rights to their first child in exchange for free Wi-Fi!³

The Digital Afterlife

If you do store photos and other memories on Facebook, it can be frustrating verging on the impossible for loved ones to access your account without a password.⁴ The social media giant's has set up something called *memorialization* which, among other things, blocks advertisements, friend requests and stops anyone from changing status updates. The difficulty with this approach, though, is that loved ones without login details are unable to retrieve photographs and other memories.

To address this, Facebook launched *Legacy Contact*⁵ in February this year. This allows you to grant permission to someone, in the event of your death, to download an archive of photographs, posts and profile information. You can assign one legacy contact but that person won't be able to edit old posts, access private messages or delete the entire account.⁶ So far it is only available in the US but the social media site intends to roll it out to other countries.⁷ Facebook state that they'll also respect a legacy contact designated in a will.⁸

Facebook aren't the first to offer such a service. In 2013, Google started to allow people to state what they'd like to happen to their data from between three and twelve months after their death – including deletion or passing data from an account to other people. According to Google, the feature is designed “to plan your digital afterlife.”⁹ Note that Google isn't allowing total control of someone else's account, merely enabling data to be accessed. Data

² <http://www.marketwatch.com/story/who-inherits-your-itunes-library-2012-08-23>

³ <http://www.theguardian.com/technology/2014/sep/29/londoners-wi-fi-security-herod-clause>

⁴ <http://www.bbc.com/news/uk-32151999>

⁵ <http://newsroom.fb.com/news/2015/02/adding-a-legacy-contact/>

⁶ <http://www.pcworld.com/article/2883025/facebook-introduces-legacy-contacts-to-manage-your-account-when-you-die.html>

⁷ *idem*

⁸ <http://www.wsj.com/articles/facebook-heir-time-to-choose-who-manages-your-account-when-you-die-1423738802>

⁹ <http://blogs.wsj.com/digits/2013/04/11/google-lets-users-plan-digital-afterlife-by-naming-heirs/>

privacy laws in some countries make it very difficult to pass control of digital accounts to others, even if they stipulate it in a will.¹⁰

The simplest way around this is to keep an account active by storing all the relevant passwords in a legacy drawer, so your loved ones or executors can access them later. They can then cancel automatic payments, deactivate accounts and keep open the memories you would like your loved ones to inherit. This solution may not break ground in terms of technological innovation but it does fulfil an important purpose: it's straightforward to keep up-to-date now and easy to use at a later date.

Controlling who sees what

If you want an online place to enable loved ones to access your passwords, documents and photographs, there are now apps which allow you to store all your important information in one place. With these you can choose which person can see which password by limiting their access permission. The data is stored on secure servers, which can be accessed via the internet. In other words: a *cloud* facility whose contents cannot even be read by the provider's administrators.¹¹ Should anything happen to you, your closest loved one can activate pre-set messages to others, enabling them to access only the data you wish them to have.

I'm not in a position to recommend such apps, as I haven't tried them myself, but in theory it provides some form of solution to controlling your digital afterlife. This, of course, creates a digital solution to a digital problem, so it may not be the simplest solution depending on your loved ones' technical knowhow. Nevertheless, it gives you more control over who sees what.

Be prepared

Whatever your preferences for how to provide information, it's important that our closest family member or friend can access a place where everything is kept. As much as we may wish, it is not something that we should put off from doing.

For further information contact us by e-mail on info@mbmg-investment.com or call +66 2 665 2536.

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¹⁰ *idem*

¹¹ <http://www.iphoneappreview.com/app/securesafe-safely-and-easily-secure-your-documents/>

2. With investment comes risks. Please study all relevant information carefully before making any investment decision.

3. An investment is not a deposit, it carries investment risk. Investors are encouraged to make an investment only when investing in such an asset corresponds with their own objectives and only after they have acknowledge all risks and have been informed that the return may be more or less than the initial sum.