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Your Digital Legacy

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Did you know that Americans give an average value of \$54,000 to their digital assets? Does that seem high? Maybe, but consider some examples of digital assets: Facebook, iTunes Music Library, online bank accounts, Flickr and other online photo sites, Amazon Kindle e-books, and Ebay accounts. It's easier to understand the value when you compare the importance of online photo storage to family photos tragically lost in a house fire; the lost photos are priceless.

Planning for access to and transition of your digital assets in case of your incapacity or death is particularly difficult because state and federal law is woefully behind technology. This means that you are left with the particular service provider's Terms of Service. Some sites are better than others, but most give your family and friends no right to access your digital assets/accounts.

I'm currently working on drafting proposed legislation for the State Bar Probate and Estate Planning Council to address these issues, but it is still quite a ways off. So what to do? My recommendation is to take the "master key" approach to saving and granting access to your digital asset user accounts and passwords. This "master key" approach recognizes the importance of keeping a list of your usernames/passwords and the impracticalities of writing them down and having to change your estate planning when they change. The "master key" to this approach is a password program for your computer, smartphone, and/or tablet. Two popular ones are 1Password and E-Wallet. You save your passwords in the password program and then when you draft your estate plan, you can incorporate that password into your planning.

Call or email me if you need help making sure your digital legacy isn't lost for future generations.

Mike Lichterman focuses his practice in the areas of Estate Planning, Medicaid Planning and Business Law. Reach him at mikel@bolhouselaw.com.