

Making a Family File

One of the most difficult things for a family to deal with after the death of a loved one is sorting through the endless paperwork needed to get the estate in order. It is important that your documents are in order to ensure prompt payout on any life insurance policies. By creating a “family file” that contains all of the important documents needed in the event of your death, you can make an already painful process a little bit easier for your loved ones.

The first step in assembling a family file is to determine its contents. Generally, you will want copies of all of your financial and legal documents. Your financial adviser should be able to assist you in identifying files and developing a list specific to your situation, but the following paragraphs provide some general insight.

The most important document in the event of your death is your will. Typically, the original copy is kept at an attorney’s office or in a safety deposit box at a bank. Be sure your loved ones know where they can find this document so your final wishes can be carried out. Keep a copy of your will in your family file, along with a letter of instruction. This informal and non-legally binding letter can contain instructions for your funeral arrangements and the names and contact information for the people listed in your will.

Next, you’ll want to include documents establishing ownership of your financial assets, properties, and any business interests. Often, family members are not aware of – or cannot remember – all of your assets. An inaccurate record means some assets might be unclaimed after your death. Keeping all these documents in one place will help your family see the full picture. You should also ensure that any log-in information for online access to the accounts is kept in your family file, as well as information related to any safety deposit boxes you have. You might also want to keep a copy of your tax return, as it can help identify your assets in case any are missing.

Keep copies of any life insurance policies you have, as well as documentation for retirement accounts such as a pension or 401(k). This information should include the policy name, number, and your agent’s contact information. If you have life insurance through your employer, make sure this is also included - employer-provided policies are often overlooked.

Finally, healthcare documentation, like a durable power of attorney – a document that lets your family make healthcare decisions on your behalf if you are incapacitated – should be included in your file. Be sure to routinely update this document as new healthcare and privacy laws may render it obsolete.

The professionals in our firm can help you identify the documentation you need to help your family in the event of a death. Call us today.