

Checklist to Use When A Love-One Passes

1. Get Multiple Copies of the Death Certificate

If you are the spouse or executor/executrix of the deceased person, the first order of business is to go to the city clerk's office or your local vital statistics office and get certified copies of the death certificate. Obtain at least 10 copies; 20 copies would be even better.

Here's why: A dizzying number of financial institutions, government agencies, creditors, unions, membership groups and other organizations won't talk to you about a loved one's financial affairs — let alone take action, like closing an account — until you produce a death certificate. So you'll need this valuable document before you start contacting banks, investment companies and other firms.

There's another reason to immediately request multiple death certificates. Any insurance agent will tell you that no one is going to pay you anything without them. The cost of getting a single certified copy of a death certificate typically ranges from about \$5 to \$20. But additional certified copies are often provided at a discount if you order them with your initial request. Also, many funeral homes will give you one or two certified copies of the death certificate free of charge.

2. Obtain Letters Testamentary or Letters of Administration

Before you can reach out to institutions that a deceased person was doing business with, you'll have to provide those companies with proof that you have a right to wrap up the deceased financial affairs.

The proof you need is in the form of documents called letters testamentary, or letters of administration.

If you retain an attorney, he or she can secure these documents for you and help you navigate probate court, among other things. For those who decide to go it alone, here's how you get the letters of testamentary.

If the person who passed away had a will and you are the executor of the estate, you can obtain letters of testamentary from the local courthouse or city hall in the county where the deceased was living when he or she died. You must take the official will to the court, along with a certified death certificate, and file a probate petition.

Once the court opens a probate file and validates the will, it gives you the authority (via the letters of testamentary) to carry out the duties required to settle the estate and act on behalf of the deceased, in accordance with the person's will. (As with death certificates, be sure to get multiple certified copies of letters testamentary).

If no will was left behind, the court can issue letters of administration to a surviving spouse or next of kin after a death certificate has been supplied. In this instance, the

person to whom letters of administration are issued is deemed the administrator of the estate.

Whoever is put in charge of the estate or trust should encourage open communication among the beneficiaries. It avoids fighting and negative legal actions. Most estate disputes can almost always be traced to a lack of communication.

3. Consult a Lawyer — Even if You Decide Not to Hire One

After a loved one dies, many heirs balk at hiring legal help because they worry about the cost.

But that's often a penny wise and a pound foolish since advice from a qualified professional could save an estate many thousands of dollars, make the process of settling an estate much easier and help family members avoid potential liabilities.

When you act as executor, there is fiduciary liability and exposure to you personally if you do not follow the terms of the will exactly. For instance, executors can be surcharged [fined] if they distribute funds improperly. A good lawyer will help you sidestep this pitfall.

Aside from wanting to understand possible liability issues, some people may simply be too emotionally overwhelmed to do everything alone. There's no shame in asking for help. Seeking professional support is a good idea, even if only to get a free consultation about your family's situation.

If you do retain an attorney, hire one who handles wills, trusts and estates exclusively. Avoid real estate lawyers, divorce attorneys, and others who don't specialize in estate planning. And only select a board-certified attorney.

4. Collect and Secure Pertinent Documents

One of the most time-consuming aspects of tending to the financial affairs of someone who has passed away is gathering the litany of documents that need to be assembled. For many families, this is a nightmare chore due to haphazard recordkeeping, poor planning and a lack of knowledge about where critical documents are located.

A lot of people think that estate planning is only for someone who's older or who has lots of money. But that's not true. Experts suggest that while people are alive, they should create an inventory or list all assets, accounts and property, put that list in a safe place, and then tell a trusted confidante where the list is kept.

After a person's death, an executor of an estate should collect or order the following documents, at a minimum: ? The death certificate(s) ? The will or trust ? Insurance policies (life, homeowners, health, disability, auto, etc.)

Last credit card statements -? Investment accounts (IRAs, 401(k) plans, mutual funds, pensions, etc.) ? Last checking and savings account statements (including CDs and money-market accounts) ? Last mortgage statement ? Last two years' tax returns ? Marriage and birth certificates (of the deceased's spouse and children) ? And up-to-date credit report of the deceased

All these documents will help you find accounts and assets, and assess outstanding debts, as well as submit claims for benefits and cash payments that may be due the deceased person's beneficiaries and heirs.

5. Notify Financial Institutions, Government Agencies and Others

A key next step is to notify all the following places of the individual's death. Each is important for different reasons. ? Social Security Administration ? The deceased person's employer ? Insurance Companies ? Credit bureaus ? Credit card companies ? Post office ? Utility companies ? Creditors

It's not much, but Social Security does offer survivors a \$255 one-time death benefit. More importantly, the spouse or children of someone who dies may be eligible for monthly survivor benefits from Social Security. To find out if you qualify, contact Social Security online or call 800-772-1213.

Another reason to notify Social Security is so the agency can put the deceased person on the Social Security Master Death Index. This prevents would-be fraudsters from collecting a dead person's Social Security payments. It also helps stop identity thieves from opening accounts in the name of the deceased individual, because the last thing you want is for bills to continue to run. Prompt notification of the death to various businesses saves the estate money and protects the estate of the deceased.

I also suggest contacting the Direct Marketing Association to opt the deceased person out of receiving credit solicitations. You don't want them getting pre-approved credit card offers or convenience checks tied to credit cards.

The U.S. Postal Service doesn't have to be told per se that the individual has died. Rather, you should file a change of address with the postal service, so that mail is rerouted to the executor of the estate or to a trusted family member.

6. Cancel or Transfer Accounts, Memberships and Subscriptions

Following someone's death, you don't want subscriptions, memberships or services they'll no longer be using to stay in force. So cancel those immediately, along with credit card, insurance and financial accounts that will be inactive. If the deceased was married, transfer the power, electricity and water bills that may be in their name to their surviving spouse. Additionally, some states, require home ownership also be transferred into the name of a living spouse in order for things like title insurance to remain in force.

7. Apply for Benefits Due to Survivors

For all kinds of insurance policies, as well as financial contracts — including car loans, mortgages and credit card agreements — find out whether insurance premiums were paid on the accounts. If so, cash benefits may be due to heirs.

Also, ask a lot of questions to find out if survivors are due pension benefits or income from the deceased person's employer, union, or maybe even military. Employers may pay out 401(k) funds, along with unused vacation time, holiday time or bonuses already earned.

For many families, however, the largest lump sum payout following a loved one's death often comes from life insurance proceeds. In dealing with insurers, experts say, the process should be fairly straight-forward.

You get a claim form and submit it, along with a certified copy of the death certificate. In most cases, in four to five weeks, you'll get a check. There are pitfalls of getting a huge life insurance payout, especially while family members are still grieving. Sometimes the worst thing you can do is have an insurance company cut (a beneficiary) a check for \$500,000, because many people blow the money, just like many lottery winners.

The best advice I can give people is: Do nothing for six months. Just let the money stay with the insurer unless the money is needed to pay debt and assist with other expenses.

8. Pay Final Bills and Guard against Financial Fraud

While paying the final bills for someone who's died, don't forget about things like property taxes or income taxes that may be due. A good CPA can file a final 1040 for the deceased individual and, if required, a Form 1041, an estate income tax return.

Carrying out the duties of an executor also means protecting the deceased person and his or her heirs against financial fraud and exploitation.

There several ways to do this: Keep the obituary short and sweet. John Sileo, a nationally-known speaker on identity theft and the author of *Privacy Means Profit*, says, "Share as little information about the person as necessary," because obituaries are easy places for crooks to find a deceased person's age, birth date and sometimes other data like an address or a mother's maiden name. Levin puts it bluntly: "The reality is, there are people that case obituaries like burglars case houses." ? Be careful with social media. It's tempting to go on Facebook or other social networking sites to post tributes, create online memorials and offer personal reflections about a loved one who has died. But experts caution against it. The more information people give away about their deceased relatives, the more information that identity thieves will be getting. Also, don't notify people of someone's death via a social networking site.