

# **The Private Financial Information You Must Share**

<http://www.wisebread.com/the-private-financial-information-you-must-share>

Recently, my husband and I decided to make some money moves to reduce our taxes and diversify an investment holding. One of the steps required transferring funds from our online brokerage firm to our regular checking account with our credit union. See also: Benefits and Drawbacks of Credit Unions) My husband has been managing the day-to-day aspects of our family finances while I have been taking care of longer-term investments. So, he had the log-on information to the checking account while I had the log-on to the brokerage account.

It took multiple online sessions as well as phone calls and text messages with my husband in order to share information required to facilitate the transfers between our accounts. This episode made me realize that if you share a financial future with someone, then you should share private financial information, too. I could see how challenging a major transition such as an extended overseas trip or deployment, emergency situation, incapacitating accident or illness, or death) could be. After all, my husband and I were working together to make a financial move but still found the process challenging. See also: How to Stay Married for 29 Years and Counting)

## Financial Information to Share

You may think you have a simple financial life. But it's likely that you have more accounts than you realize. And the number grows as you get older and accumulate assets, have children, change jobs, and restructure holdings based on changes in tax laws.

One of the most missed items is the paid-up life insurance policy, according to Tony Steuer, CLU, Life Insurance Analyst, CPFFE, and Director of Financial Wellness for United Policyholders. He also mentions various employer-sponsored plans as often-overlooked assets.

Take an inventory of your accounts among these major categories:

Personal and Business Accounts With Financial Institutions

Checking accounts

Savings accounts

CDs  
Mortgages  
Debit/credit/charge cards  
Vehicle loans  
Brokerage accounts online and traditional)  
Mutual fund accounts not held in brokerage accounts)  
Safety deposit boxes  
Annuities  
529 plan accounts  
Children's checking, savings, and investment accounts  
Life insurance policies, including paid-up policies and key person insurance policies  
Other insurance policies property and casualty, personal umbrella, disability, long-term care)  
Work-Related Financial Accounts With Current and Past Employers  
Employer-paid or sponsored insurance policies life, disability, etc.)  
Health savings accounts, health reimbursement arrangements, and/or flexible spending accounts  
Defined benefit plans pension plans)  
Defined contribution plans 401k or similar plans)  
Stock options  
Online Accounts for Shopping, Account Management, and/or Bill Payment Purposes  
Department store and specialty retailers  
Cell phone providers  
Utilities  
Media and entertainment companies  
Airline miles and travel rewards programs  
Tax software and electronic filing programs  
For each account, document the name of the financial institution or provider; account or policy number; and contact person such as the account representative, personal banker, or insurance agent. According to legal site Nolo.com, you will also want to record online access information such as usernames, passwords, PINs, etc.  
Use whatever secure method of capturing these details works for you. For example, I prefer to write down the information on paper, whereas someone else may want to use a more sophisticated set-up involving password-protected spreadsheets or online services.  
Finally, an essential piece of information is your financial plan. Financial advisor Michael Slabic, CLU,

ChFC tells me that developing and sharing this vision for your future is critical to effectively implementing the plan, particularly in the case of an unexpected death of a spouse or loved one. See also: How to Create a 5-Year Financial Plan)

#### Steps to Sharing Information

Start by deciding what accounts ought to have shared access all the time and make changes to those accounts if needed. Then, determine the best approach to structure and share information about the remaining accounts in ways that protect both you and your family.

#### Share Emergency and Daily Cash Accounts

Certified financial planner Roger Wohlner emphasizes the need for cash in emergency situations. So, share information that will allow your family to take care of basic financial needs in a crisis. For example, establish and share access to a joint checking account or savings account designated for certain situations. See also: How to Prepare for a Health Emergency)

In addition, you might work with charge card companies, cell phone companies, and other providers to establish account management rights so that one person can handle urgent problems if the other is unavailable.

#### Share Long-Term Planning Details

For longer-term financial planning purposes, share a comprehensive inventory of accounts with information on holdings such as bonds, mutual funds, and individual stocks. In addition, record outstanding debt such as student loans, mortgages, and vehicle loans. Mike tells me that many of his clients keep such a list with their financial plans for easy reference. You can share your account information such as the name of your financial institution and average balances), yet still retain control of and online access to your accounts.

#### Don't Let Assets Stay Hidden

If there are accounts you'd prefer not to discuss right now, such as your company's stock options or a child's 529 plan, you should still find a way to share this information when you are gone. Otherwise, your family may have difficulty tapping your assets. For example, Tony tells me that paid-up life insurance policies, some of the accounts you are most likely to forget you own, often end up as unclaimed property after the policyholder's death.

Let your spouse, family member, and/or loved one know where to find your asset list, whether stored in a file cabinet, locked in a safety deposit box, kept in a sealed envelope in your top desk drawer, or documented in an online site.

Note that there may be legal ramifications to giving out online access information. For example, sharing passwords for certain accounts may be a violation of the terms of service and federal regulations. In fact,

according to an article in the Chicago Tribune, Bank of America refused online banking access to a wife who has power of attorney for her husband. So, consult with your attorney about ways to gain access to funds at the proper time.

Though my husband and I share all aspects of our financial lives, other couples and family members may have different arrangements. Set your boundaries before you start giving out information. But don't ignore the need to share information until it's too late.