What to do after losing a loved one

ESTATE CENTER GUIDE



Unchained

Table of Contents

I. What to do after losing a loved one

II. How asset distribution works at Unchained

III. Estate planning basics

Appendix: Useful terms and definitions

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⚠ Important Information about Bitcoin Security

While they may seem like just a few words, bitcoin seed phrases are extremely sensitive cryptographic private keys that should be handled with the utmost care. Seed phrases may exist on specialized signing devices, or they may be written down or stamped into metal.

- **Do not** take pictures of seed phrases
- **Do not** save seeds to a phone note, password manager, or any device
- **Do not** email, text, or send seed phrases to anyone
- **Do not** share seed phrases with anyone (even Unchained!).

Note: Unchained has no knowledge of the location of a client's private keys and will not divulge any information about an account without a court-ordered executor appointment. Unchained can only assist authorized representatives who possess the private keys to their loved one's funds.

answer	*base*	*narrow*
pattern	*approve*	*fortune*
name	*island*	*myth*
stove	*foil*	*naive*
basic	*story*	*involve*
narrow	*force*	*food*
invite	*patient*	*iron*
fork	*barely*	*anxiety*

We are sorry for your loss.

Losing someone can be difficult, and managing their affairs after they pass can seem overwhelming. Our team is here to help.

As you navigate the loss of a loved one, it’s important to remember:

- **Every situation is unique:** As you navigate this difficult time, you will be confronted with various matters that may seem complex. It’s completely normal to feel a range of emotions.

- **You may need help:** An estate attorney may reduce some of the complexity. Consider speaking with a trusted advisor or tax professional for assistance.

- **Unchained is a resource:** While we can’t offer legal to tax advice, we can help you understand the process and provide personalized assistance.

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I. What to do after losing a loved one

1. Seek help from trusted sources

Consult with your attorney, tax advisor, and financial advisor to discuss the necessary steps to finalize your loved one's financial matters. Legal professionals can help you navigate the complexities of estate law, particularly if you are representing a large estate or complex situation. They can also recommend strategies to reduce taxes and costly mistakes.

2. Determine who is authorized to manage the estate

Locate the will: People usually name an executor or personal agent in their will. Throughout the process, the executor will need to manage most of the estate's affairs.

Probate: Probate is the legal process of executing a will. If no will exists, the probate judge will name an administrator of the estate. You'll need to do this at a county or city probate court office. The probate court makes sure that the person's debts and liabilities are paid and that the remaining assets are transferred to the beneficiaries.

If you are named as an executor in a will, you need to submit forms to probate court to get a letter of testament.

⚠ **Important:** A *Power of Attorney* designating someone to act on behalf of an account owner is only valid during that account owner's lifetime. The power to act ends with the account owner's death. Consider creating a will or trust to direct what happens to your assets after you're gone.

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3. Gather important information and documents

Even if you're not in charge of your loved one's estate, you'll probably have a role in helping the executor gather important personal documents. Important steps you or the executor should take include:

- **Collect basic information:** It'll be helpful to have information on hand as you'll likely be asked again and again.

  This may include your loved one's:
  - Full name
  - Mailing address (on a driver's license or utility bill)
  - Date of birth and birth certificate
  - Social Security number and Social Security card

- **Request at least 10 certified copies of the death certificate.** Most funeral homes can help you obtain them, but you can always request more from the county government records office where the death was recorded.

- **Obtain copies of the Executor's appointment.**

  - **What it does.** An executor appointment is the legal process of designating an individual to execute the instructions in a person's will. In some states, this is called a Personal Representative or Administrator.

  - **How to obtain it.** Obtaining an executor appointment typically involves submitting a petition for probate along with the will to the appropriate probate court. The court then gives the executor Letters of Testamentary, bestowing the authority to act on behalf of the estate.

  - **Where to obtain it.** Depending on the state, the State Surrogate or Probate Office issues the document appointing an executor.

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4. Reach out to Unchained

If you've been named a personal representative or trustee, you will need to follow the terms of the will or trust agreement. Unchained will need to confirm the role you will have in handling any accounts, and may only assist parties who have the authority to handle the estate.

When you're ready, reach out to inheritance@unchained.com. Depending on the type of account, type of estate, and state of legal residence, our team will work with authorized representatives of the estate to determine the applicable transfer process.

What we'll need from you. This information is needed to verify the identity, date of death, and legal residence of our client. Additional documentation may be requested depending on where the accounts were opened or the state of residence.

Required information:

i. The decedent's full legal name
ii. Their Social Security Number
iii. A copy of the decedent's death certificate (as soon as it's available)
iv. Probate documentation - Executor appointment

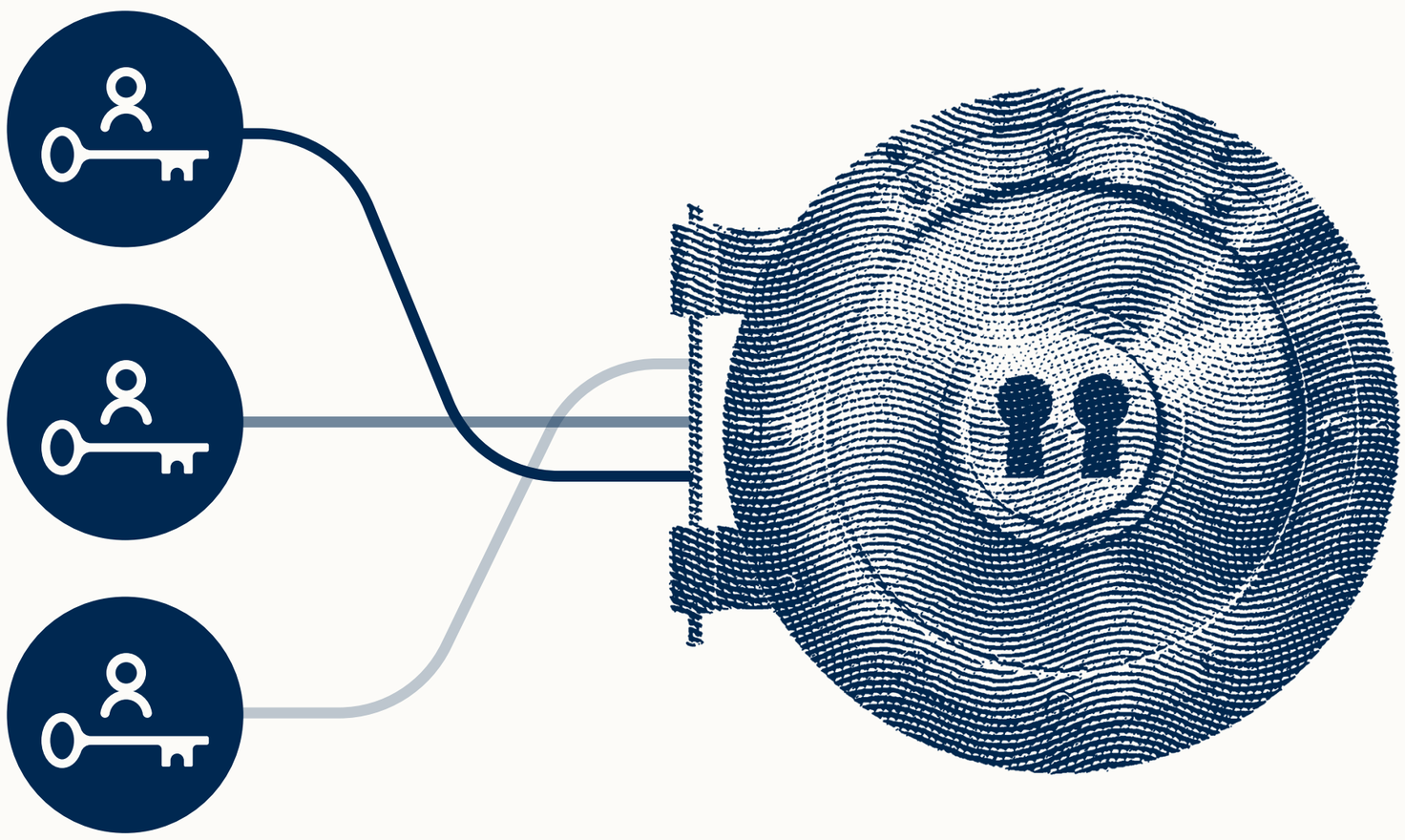
Additional information may be requested depending on your unique circumstances. If you have any questions about the inheritance process please contact us at (844)-486-2424 or inheritance@unchained.com.

II. How asset distribution works at Unchained

Please note that Unchained's bitcoin vault product works differently than a traditional bank account. **In most cases, you must have at least one of your loved one's seed phrases (private keys) to move the bitcoin it controls.**

Because Unchained cannot unilaterally move a client's bitcoin, executors must be prepared to sign and broadcast a bitcoin transaction. Unchained's bitcoin experts can provide personalized support for those seeking assistance with the more technical aspects of the inheritance process.

Prior to assisting with the distribution of your loved one's bitcoin, Unchained must verify your identity and the role you'll play in managing the estate. Even if you do not intend to use Unchained's key, it must verify the identity of every executor and/or beneficiary.



Inheriting an IRA?

Retirement accounts maintained do not pass through probate. IRAs, 401(k)s, and other types of retirement accounts pass pursuant to the death beneficiary designation on the retirement account itself.

Different inheritance rules may apply depending on who the IRA belonged to (a spouse or non-spouse) and if you're inheriting a traditional or Roth IRA. Discussing inherited IRAs with a financial professional is always recommended, as every situation is unique.

What to Expect

Unchained can be your primary contact for most matters; however, Unchained's IRA custodian will handle most of the paperwork. As soon as Unchained's IRA custodian has confirmed your role as beneficiary, Unchained will help facilitate the transfer process.

First Steps for Inherited IRAs

1. **Notify the IRA Custodian.** You'll need to contact Unchained's IRA custodian and provide a certified copy of the death certificate. Once the IRA custodian has verified your beneficiary designation, you'll need to decide on a distribution type and create an Inherited IRA account.

2. **Decide a distribution type.** Once received, Unchained will request your preferred distribution method(s) and advise on any required next steps to complete the distribution of the account holder's assets.

3. **Open an inherited IRA.** Open the same type of IRA account you're inheriting (Roth or traditional). Unchained can assist with the more technical aspects of creating a bitcoin vault.

4. **Receive your inheritance.** You will be granted access to your loved one's accounts. You will need at least one seed phrase to send any inherited bitcoin to your desired destination

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Selecting a distribution method

IRA beneficiaries have a few options regarding how these assets are distributed. We recommend you talk with your tax advisor before deciding how to proceed. They can help you understand the specific tax implications of your inheritance and set up an appropriate distribution strategy to avoid tax penalties.

- **Transfer bitcoin to a new inherited IRA.** An inherited IRA is an individual retirement account (IRA) you open when you're the beneficiary of a loved one's retirement plan. Beneficiaries can elect to have their distribution made "in-kind" by creating an Inherited IRA account at Unchained.

- **Receive your inherited IRA in cash.** IRA beneficiaries may elect to receive their share in U.S. dollars. You'll typically need to open a special "estate of [your loved one]" account first. Unchained will convert their share of bitcoin to dollars and pass the resulting dollars to the IRA Custodian. The custodian will then distribute the dollars to the account.

- **Roll into existing IRA (spouse only):** Surviving spouses can roll over inherited IRA funds into an existing IRA. Inherited bitcoin may be transferred "in-kind" to an existing Unchained IRA.

Surviving spouses may also roll the inherited assets to another IRA account by converting assets to the U.S. Dollars. For surviving spouses considering rolling inherited assets into an existing IRA, we recommend consulting with a financial professional to determine if this is the best option for you.

New to bitcoin? Unchained's Premium Support service can assist with the more technical aspects of creating a bitcoin vault and provide training and resources to keep your inheritance safe and secure.

III. Estate planning basics

Knowing the basics of estate planning can make a big difference for those beginning to think about their legacy and the assets they want to leave to future generations. Wills and trusts can work well together when developing an estate plan. Before consulting with a qualified attorney, here are a few important things to know when planning your estate.

What is a will?

A will, or a last will and testament, is a legal document that describes how you would like your property and other assets to be distributed after your death. After you're gone, the will is usually presented to a local probate court. The court authorizes the executor to distribute your assets according to the instructions of your will.

If you don't have a legal will, your estate is settled according to the laws of your state of residence at the time of death. This is known as dying "intestate", and may not result in the preferred outcome for you or your heirs. You can prevent this from happening by periodically updating your will to reflect your wishes.

Considerations when creating a will

- **Consult with a financial professional and a qualified attorney.** Every state has different laws governing wills and what makes them valid.
- **Be specific and realistic with your instructions.** You should have an inheritance protocol for digital accounts, with instructions on how to manage them in the event you can no longer do it yourself.
- **Choose an executor. This person will oversee your estate and carry out your wishes.** This is often a family member but could be a lawyer or financial advisor. Ensure they can effectively manage your accounts.
- **Make your will official.** In most states, you'll need to sign your will in front of at least two witnesses.
- **Keep your will in a safe place.** This could be a fireproof safe in your home or office or a safe deposit box. Be sure to back up the digital version. Let your loved ones know where it can be found.

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- **Update your estate plan as circumstances change.** This may include a marriage or divorce, the birth of a child, the loss of a loved one, or getting a new job. Even if your circumstances don't change, laws may have.

- **Communicate with your loved ones.** Keep heirs and beneficiaries involved, especially when making decisions that can affect the whole family. They may need help understanding your final wishes or the steps they need to take to distribute your assets.

What is a trust?

A trust is an estate planning tool that may allow assets to pass outside of probate. A trust can save your beneficiaries time, court fees, and potentially reduce estate taxes. A trust may help your beneficiaries receive their inheritance more quickly and with less hassle than a will.

When assets are transferred into a trust, they are "entrusted" to a trustee to hold and manage them on behalf of your beneficiaries. Trusts can be arranged in many ways and can specify exactly how and when assets are passed.

Considerations when creating a trust

- **Consult with a financial professional and a qualified attorney.** They can help you understand the different types of trusts and what might work best for your needs.

- **Identify the beneficiaries of your trust.** You can set up your trust so that any number of people receive your assets, from children or your spouse to a foundation or charity that you support.

- **Select your trustee(s).** Identify a trustee(s) who will have a fiduciary responsibility to manage your assets and distribute them to your designated beneficiaries. This is typically a loved one or professional (corporate) trustee.

- **Determine the rules of your trust.** You can set specific instructions for how you want your bitcoin to be distributed. It's good to start considering the logistics now and talk to your trustee about how they can be executed as you wish.

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- **Create your trust document.** When you meet with your attorney, consider creating a power of attorney for any property or assets held outside of your trust.

- **Communicate with your loved ones.** Keep heirs and beneficiaries involved when you're making financial decisions that affect the whole family. They may need help understanding your final wishes or the steps they need to take to distribute your assets.

If you have an established trust, consider creating an Unchained Trust Account. These accounts are designed to streamline the management of your estate. Assets in the account are titled to your trust. These accounts have customizable roles and permissions that can be configured to align with your trust's specifications.

If you'd like to learn more about Unchained's Trust Accounts, please refer to https://unchained.com/trusts.

Additional Considerations

Powers of attorney

A power of attorney (POA) is a legal authorization that gives someone the authority to act on your behalf. POAs may offer a layer of protection, stability, and continuity in estate planning. Before establishing a POA, seek guidance from trusted professionals such as lawyers, accountants, and doctors.

Carefully consider your agents and only appoint people who are capable of stepping in to manage your affairs if you lose the capacity. You can give your agent broad or limited authority to make decisions about your property, finances, investments, or medical care. You might want to assign medical and financial representation to different people

Financial caregiving

A financial caregiver is a person who helps manage everyday financial matters if health issues make it difficult for you to handle financial tasks on your own. If you or a loved one needs assistance making financial decisions, the Consumer Financial Protection Bureau (CFPB) offers easy-to-understand guides tailored to a variety of situations.

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Appendix: Useful terms and definitions

Administrator: An administrator is a person appointed by a probate court to manage and distribute a deceased person's estate if a valid will does not exist. An administrator can also be appointed by the court if there is a will but it does not identify an executor or the named executor is unable to or refuses to serve and a qualified successor has not been named.

EIN number: Employer Identification Number issued by the IRS, commonly used by employers to report taxes.

Estate: The assets and liabilities left by the decedent.

Fiduciary: A person who has been entrusted with the responsibility to manage the assets or rights of another person. May be referred to as a guardian, conservator, executor or administrator, trustee, representative payee, custodian or, in some cases, an attorney-In-fact (agent).

Intestate: Intestate means dying without a Will or Trust, leaving your estate and assets to be decided by the state.

Last will and testament: A legal document outlining how one's property and possessions should be distributed after death.

Letter of administration: Court documents given to someone appointed by the court to manage the estate of a deceased person in cases where there is no valid will or if the named executor is unable to serve.

Letter of instruction: A document completed and signed by the beneficiary, successor, affiant or court-appointed representative of the estate providing specific instructions on how to disburse the remaining money in any accounts.

Letter Testamentary: Court documents obtained by the executor/executrix confirming his or her appointment as the personal representative with authority to settle an estate.

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Power of Attorney: A legal document that designates another to act on behalf of the account owner (the principal) and is valid only during that account owner's lifetime. The power to act ends with the account
owner's death.

Probate: The legal process of collecting the assets of a deceased person to pay any liabilities remaining on the person's estate, then distributing the remaining assets according to the will, or state law if no will exists.

Residence: Official place of residence (based on what state of residence is listed on the death certificate).

Small estate affidavit: In some states, based on the size of the estate, this legal document can be used to claim or disburse assets without having to go through formal probate. The threshold for what meets the "small estate" guideline and who qualifies to use this process varies from state to state.

Trust: A legal arrangement involving three parties: the party creating the trust (grantor), the party administering the property within the trust's terms (trustee), and the party for whom the trust is administered (beneficiary).

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