



DIGITAL ASSETS- SUCCESSION MANAGEMENT

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Directive Communications Systems

Winner of the



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The Problem

Moving to a completely online world is having a profound impact on Estate and business succession causing lost financial value, vanishing personal legacies and posing risk to business continuity.

The result is a \$7T (and growing) problem facing all involved that requires innovation and new strategies.



DIGITAL ASSETS

What is a Digital Asset?

Digital Asset means an electronic record in which an individual has a right or interest. The term does not include an underlying asset or liability unless the asset or liability is itself an electronic record.-

Uniform Law Commission- Revised Uniform Fiduciary Access to Digital Asset Act(2015)

A REAL AND EXPENSIVE PROBLEM

(real cases)



COSTLY LITIGATION (2019):

3+ year and undisclosed costly court battle to get family pictures from iCloud



Stolen Investments (2019)

\$2.1M stolen from deceased clients' dormant, un-administrated accounts by employee



OPERATIONAL/ASSET COLLAPSE:

\$1M+ in lost value, expense and income with collapse & contents rendered in accessible



Hidden Value (2018)

\$11M in Bitcoin locked behind encryption keys



Inaccessibility (2018):

Lost funds, income and memories with unknown value- RBC Bank Executor



LOST VALUE (2019):

\$135M lost without succession plan or access to encryption keys



Password Manager Lockout (2020)

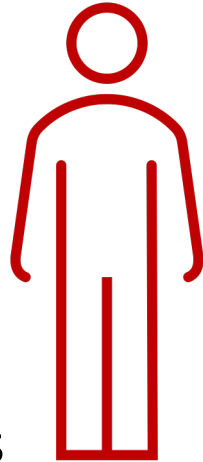
Unknown Password Manager denied access to decedent's account portfolio and data logos based on the Terms of Service Agreement, inability to decrypt encryption and local privacy laws (international jurisdiction)



WHAT'S AT STAKE

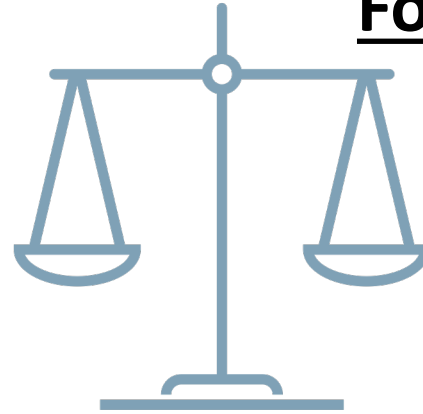
For Individuals

- Estate value
- Legacy and history
- Personal income
- Personal privacy
- Business operations



For Advisors

- Risk and Liability
 - Lost assets
 - Malpractice/Bar complaints
- Reputation
- Failure to meet obligations
- Speculating solutions



For Content Provider

- Privacy breach
- Compliance to TOSAs, privacy and fiduciary laws
- Lack of operations management
- Industry inconsistency and fragmentation
- Inaccessible to data



AN INTERNET MINUTE (2020)

Doing more than
we think!



A DIGITAL PORTFOLIO AMAZON TO ZOOM



- ✓ Email
- ✓ Cloud storage
- ✓ Password managers
- ✓ Internet of things
- ✓ Online Games/Collectibles



- ✓ Social media
- ✓ Text messages
- ✓ Telecom & Utilities
- ✓ Gov't agencies
- ✓ Entertainment



- ✓ Investments
- ✓ Banking/loans
- ✓ Insurance
- ✓ Crypto
- ✓ Domain names
- ✓ Games

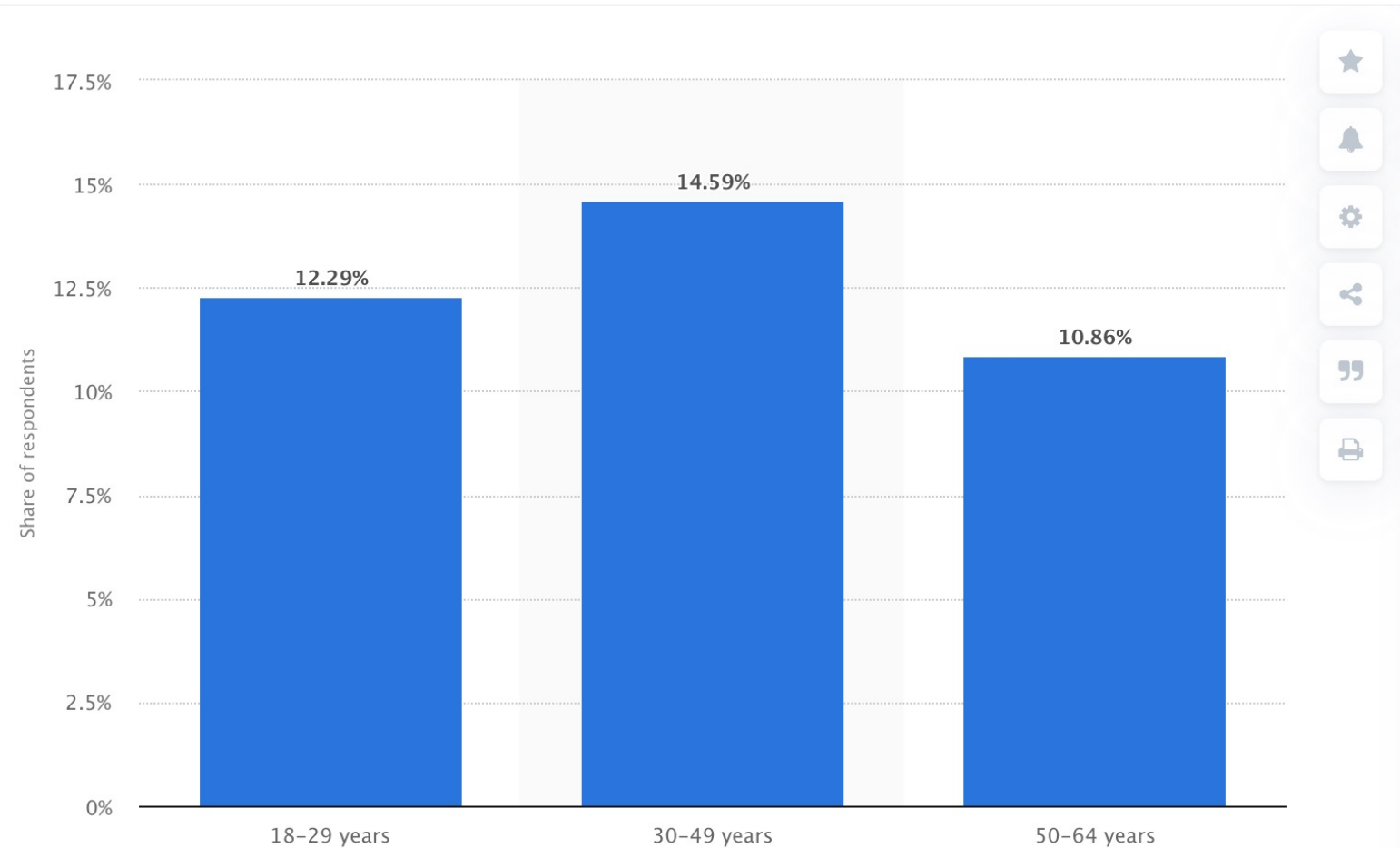


- ✓ DNA tracing
- ✓ Personalized IP
- ✓ E-commerce
- ✓ Online profiles
- ✓ Rewards/Loyalty

ONLINE INVESTING

Share of Americans who used an online investing/stock trading service in the last 12 months in 2018, by age

Not far behind
younger
generations

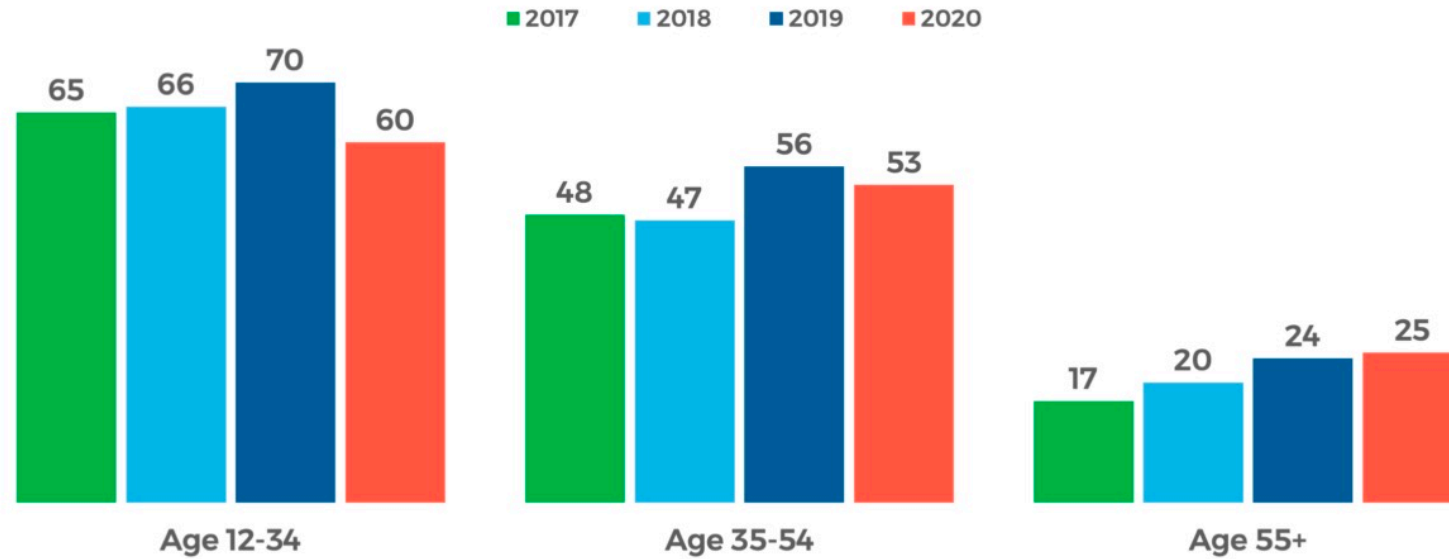


YOUTUBE

Weekly YouTube Music Usage

TOTAL U.S. POPULATION 12+

% USED YOUTUBE FOR MUSIC OR MUSIC VIDEOS IN LAST WEEK



THE INFINITE DIAL™ 2020

Senior YouTube
Music Usage
on the rise



#InfiniteDial

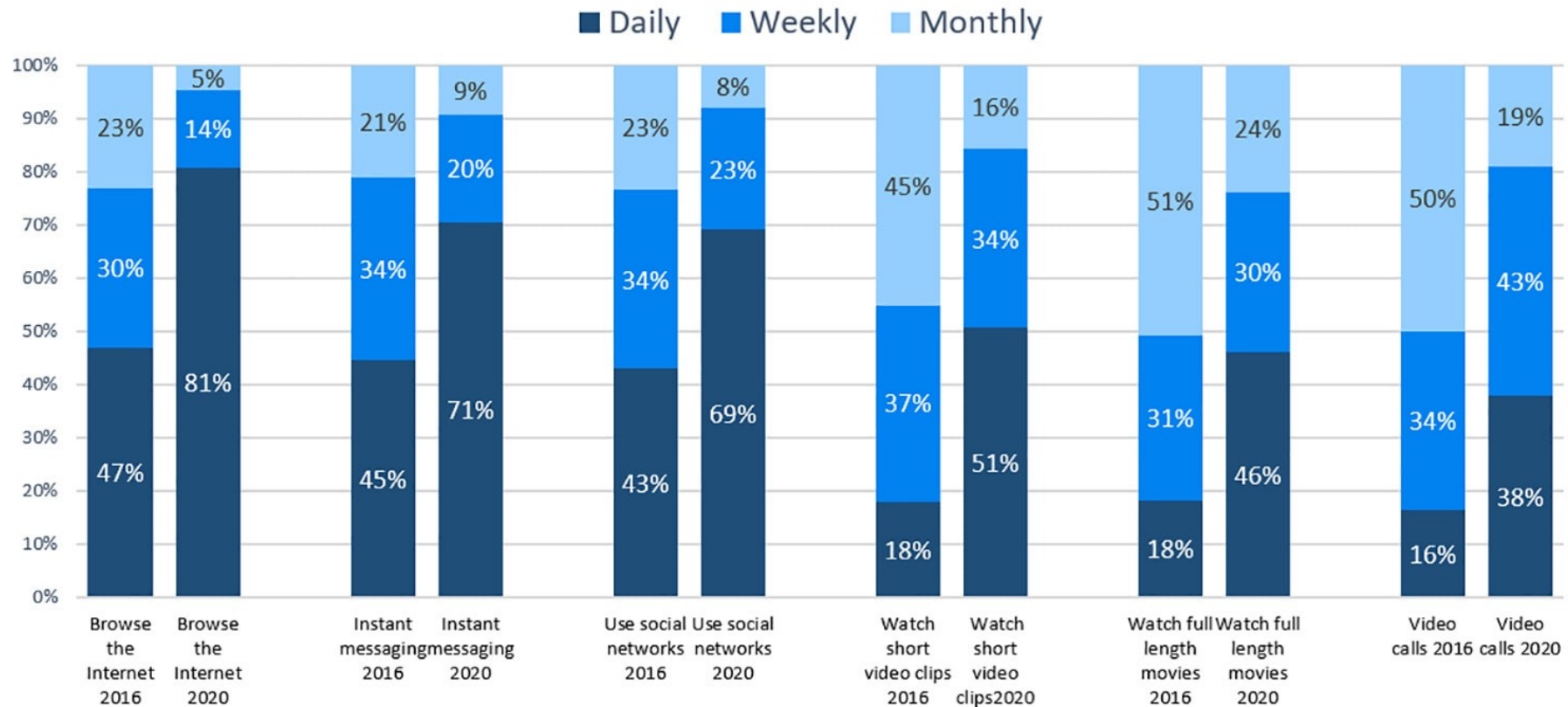
THE INFINITE DIAL © 2020 EDISON RESEARCH AND TRITON DIGITAL

PEER RECOGNITION

Ericsson
2021

Seniors have increased their usage of smartphones

Frequency of usage of the following internet activities on their smartphone
in 2016 respectively during Covid-19 crisis 2020



* Ericsson.com, *Seniors and technology during Covid-19: the latest insights*, Jan 26, 2021

TECHNOLOGY AND ESTATES

AGITATORS

New and powerful authorities
(privacy/fiduciary laws, Terms of Service Agreements)



Popular misconceptions and inadequate planning
(i.e. password sharing)



Digital property attributes and limitations



New asset types and innovations



Fluctuating market value
(i.e. crypto, gaming elements, collectibles, IP)



THE LASTING EFFECT

Dictate procedures and regulate access to information

Failing and ineffective

Buried in names, expiring subscriptions, auto-deletion policies

Reduces the ability to plan ahead

Value volatility causing frequent tax threshold crossovers

WHAT LOVED ONES AND FIDUCIARIES FACE

THE NEW RULES



“If you go more than a year without logging into your Yahoo Mail account, Yahoo may delete your messages from its servers to make room for other users. After your account is deleted, your screen name becomes available to new users.”



“The company reserves the right to delete **accounts** that remain **inactive** for an extended period of time but doesn’t not usually do so.”



All email accounts that a user does not log into at least once every 12 months are designated inactive by Comcast. The contents of deleted email accounts are not recoverable once deleted.



“Dropbox determines inactive accounts by looking at sign-ins, file shares, and file activity (adding, editing, or deleting) on *any* of our platforms (Dropbox or Paper) over the Last 12 months. Your **account** will be automatically deactivated—and your files **deleted**—90 days after you reach 12 months of **inactivity**.”



THE PASSWORD PROBLEM

(Don't even think about it)

The result can be permanent lock out or worse



"Account Holder Impersonation"
- **violation** of laws and TOSA



Becoming obsolete

- ❖ IP Address identification
- ❖ 2-Factor Authentication
- ❖ Biometrics
- ❖ Security Questions

Change often
passwords



Risk of ID fraud and client
reputational disparagement



Risk of vicarious liability if PWs
are compromised



KNOWING THE FOUR KEYS TO SUCCESS



TRANSPARENCY

Accounts, assets and files
are known and visible?



TIMELINESS

Are subscription expiring?
Are auto deletion
policies in effect?



ACCESSIBILITY

Online accounts, contents and
devices must be available for
disclosure to fiduciaries and
loved ones?



ABILITY

Do fiduciaries and loved
have the wherewithal and
knowledge to carry out
their responsibilities?



DIGITAL ASSET DIRECTIVES

Two types of disclosure

Disclosure of Account Contents

- The release data, contents, logs etc to a beneficiary (person, trust or other entity)
- Indicates or is directly sentimental, financial, business-related or other matter
- Most needed by personal representatives for successful settlement

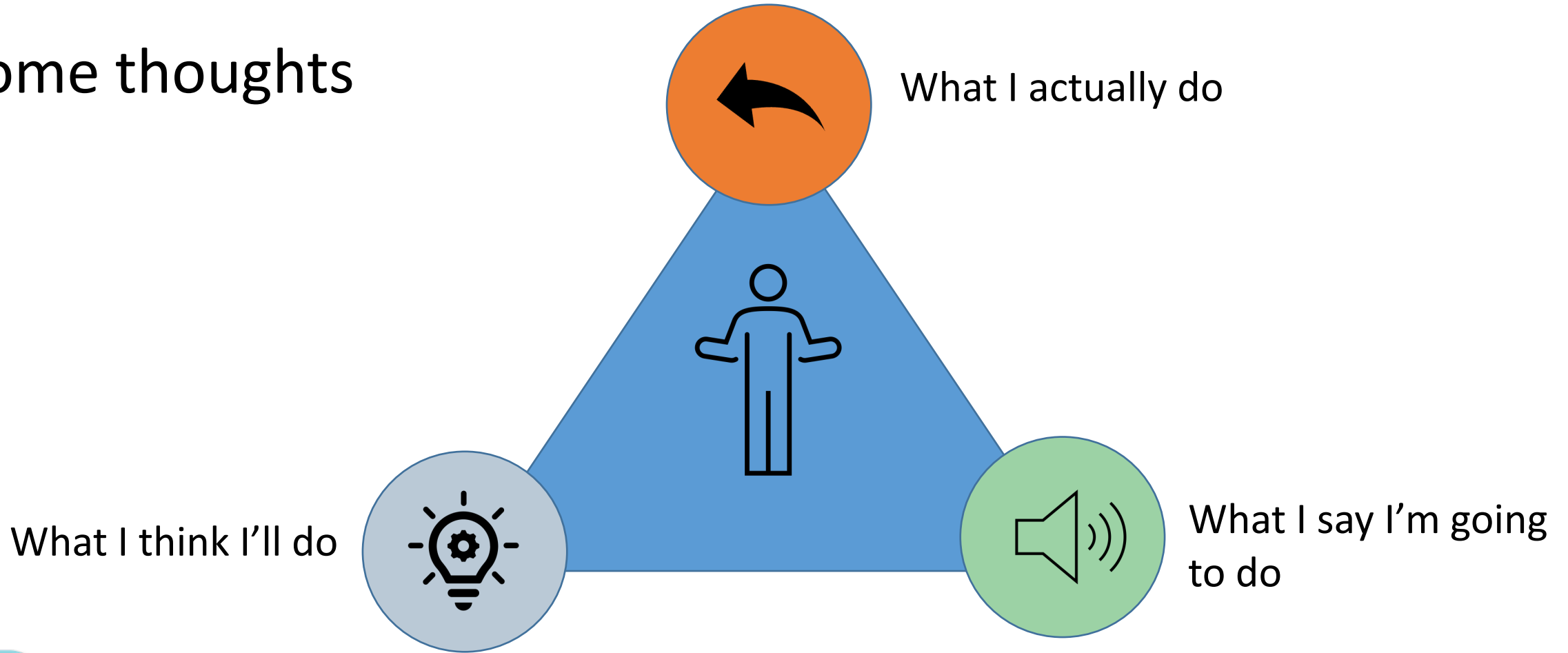
Action Oriented

- Action to be taken on the account (delete, close, transfer, remove name, etc.)



A DISTORTING REALITY

Some thoughts

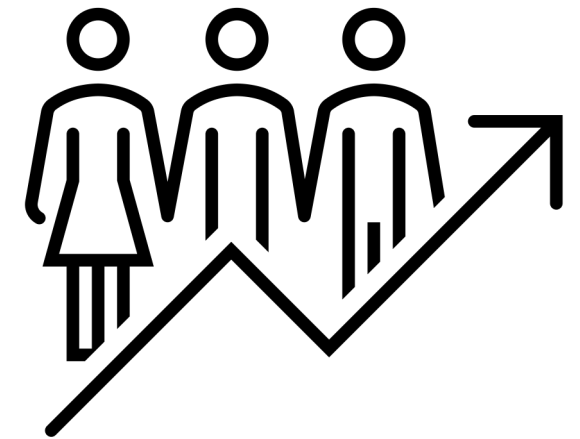


WHAT WE NEED

Better data protects can drive predictability models for

Individuals

- Missing property
- Account holder behavior and attitudes
- Future enrollment, downloads, transactions
- Fiduciary behavior and attitudes
- What are the assumptions, realities etc.
- Data disclosure preferences



Content Providers

- Internal operations and process management
- Security, privacy policies and estate request protocols
- Estate requests and needs
- Improve account holder, estate and loved one experience



DIRECTIVE COMMUNICATION SYSTEMS (DCS)

Cleaning up the Chaos

RECORDS AND CATALOGS:

- Online accounts and assets
- Subscription accounts
- Devices

ENSURES ASSET ACCESSIBILITY:

- Legal and TOSA compliance
- Expiration and deletion prevention
- Financial asset visibility for portfolio optimization

DELIVERS:

- Compliance
- Efficiency
- Peace of Mind

CLIENT DETERMINED DISPOSITION:

- Disclosure of account contents
- Actions to be taken
(close, delete, remove name etc...)

BACKEND ADMINISTRATION, RECONCILIATION AND FULFILLMENT:

- Fiduciary administration services
- Directives fulfillment management



THE EASY VIEW DASHBOARD



LAW FIRM/LAWYER VIEW

CLIENT VIEW

My profile

My clients

Name	Case Number	Estate Lawyer	Last Update	Status
Anders, Joe		Emerson, Keith	Apr 11, 2018	✓
Anders, Tom		Emerson, Keith	Apr 11, 2018	✓
Anderson, Jon		Emerson, Keith	Apr 11, 2018	✓
Beardsley, Harry		Emerson, Keith	Apr 11, 2018	✓
Bergeron, Francois		Emerson, Keith	Apr 11, 2018	✓
Brooklyn, Bart		Emerson, Keith	May 30, 2018	INCOMPLETE
Ceebring, Dilbert		Emerson, Keith	Jun 05, 2018	✓
Collins, Joan		Emerson, Keith	Apr 11, 2018	✓
Davis, Kim	1234	Emerson, Keith	Apr 11, 2018	INCOMPLETE
Doe, John		Emerson, Keith	Apr 11, 2018	INCOMPLETE
Doe, John	FDK 1000	Emerson, Keith	Apr 11, 2018	INCOMPLETE
Guy, Buddy		Emerson, Keith	Apr 13, 2020	INCOMPLETE
Hamilton, Jones		Emerson, Keith	Apr 11, 2018	✓
Jackson, John	TXG-000	Emerson, Keith	Apr 11, 2018	INCOMPLETE
Johansson27, Smiley27	SJ-43125	Emerson, Keith	Apr 11, 2018	INCOMPLETE
Johnson, Freddy		Emerson, Keith	Apr 11, 2018	INCOMPLETE
Jones, Bill	DCS123	Emerson, Keith	Apr 11, 2018	INCOMPLETE

My team

Resource Center

Convenient
Resource Center

Easy client
enrollment

Firm
Co-branding

Clear view of
clients and
status

Advisor's team

Client's
designated
beneficiary list

Easy to read
accounts and
directives

My profile

My contacts

Name	Case Number	Estate Lawyer	Last Update	Status
Chris Squire		Emerson, Keith	Apr 11, 2018	✓
Anders, Joe		Emerson, Keith	Apr 11, 2018	✓
Anders, Tom		Emerson, Keith	Apr 11, 2018	✓
Anderson, Jon		Emerson, Keith	Apr 11, 2018	✓
Beardsley, Harry		Emerson, Keith	Apr 11, 2018	✓
Bergeron, Francois		Emerson, Keith	Apr 11, 2018	✓
Brooklyn, Bart		Emerson, Keith	May 30, 2018	INCOMPLETE
Ceebring, Dilbert		Emerson, Keith	Jun 05, 2018	✓
Collins, Joan		Emerson, Keith	Apr 11, 2018	✓
Davis, Kim	1234	Emerson, Keith	Apr 11, 2018	INCOMPLETE
Doe, John		Emerson, Keith	Apr 11, 2018	INCOMPLETE
Doe, John	FDK 1000	Emerson, Keith	Apr 11, 2018	INCOMPLETE
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Hamilton, Jones		Emerson, Keith	Apr 11, 2018	✓
Jackson, John	TXG-000	Emerson, Keith	Apr 11, 2018	INCOMPLETE
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Johnson, Freddy		Emerson, Keith	Apr 11, 2018	INCOMPLETE
Jones, Bill	DCS123	Emerson, Keith	Apr 11, 2018	INCOMPLETE

My team

Resource Center



"We don't solve a technology problem with words, we solve a technology problem with technology"

-Scott Williams, Lawyer, Williams Allen Casey LPA





THANK YOU



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CEO



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