

Digital Legacies: Steering Through Terrea Incognita



Introduction

Before the digital world, things used to be (relatively) simple. In today's progressively digital world, many of our possessions and important documents have been integrated into online databases and clouds mostly for easy access and convenience.

Nowadays, when creating an estate plan, not only should traditional assets (in the broader sense, physical possessions) be considered but also digital assets. What happens when there is no physical possession of an asset when there is no key for example to the house to be inherited?

What are digital assets?

Simply put, a digital asset is an electronic record. It is electronic content that exists outside the physical world and has personal value to someone. By means of examples, such assets include:

- **Personal items** such as photos, videos, email accounts.
- **Social media and productivity accounts** containing information likely of personal or commercial interest such as personal email accounts, Facebook page, X, LinkedIn, Instagram, blogs, cloud accounts, Pinterest, Google Docs, Evernote, Zoom, Teams platforms.
- **Digital only accounts & cryptocurrency** such as PayPal, Bitcoin, Ethereum Revolut, loyalty bonus programme accounts,
- **Business tools** such as a domain name, blogs through WordPress, YouTube, and personal websites, as well as e-commerce sites such as eBay, Amazon, Alibaba, Etsy.
- **Domain names:** the names of websites you may own (such as for a business).
- **Intellectual property:** digital rights to music, art, or written content.

Estate planning considerations

Just like tangible property (furniture, jewellery, equipment, artwork, vehicles, boats, land, houses) digital assets can and should be accounted for in wills and trusts, as long as ownership can be established. It's not typically necessary to create a separate trust specifically for digital assets, as they can be included in the same trusts that outline disposition of tangible assets.

However, it is possible to create a digital asset trust, if needed, using the same trust structures used for physical assets. It is up to you to take steps to protect your digital assets and accounts. Consider the following steps:

- Identify and document all your digital assets and accounts.
- Instruct exactly what you want done with each digital asset and account. You may want to leave this responsibility with your chosen "digital" executor, or appoint a separate trustee who will be responsible for managing your digital assets.
- Provide access to your chosen appointed person. This can be done by leaving a password-protected list of digital assets and digital accounts.
- Secure important information: store passwords, PINs, and access keys in a secure manner, perhaps in a digital vault accessible to your digital executor.
- Update your digital estate plan regularly: revisit your digital estate plan periodically to account for changes in your digital asset portfolio.

Conclusion

Despite being intangible, such assets are nevertheless valuable; their worth goes far beyond monetary value. Consider photos, for example. Photos are a focal part of many people's daily lives and by extension, legacies, and they'll want to be sure they are kept safe and given to those they care about. Another important reason to protect digital assets is the issue of privacy and data security. To protect against identity theft and online fraud, it's crucial to keep sensitive digital information safe.

Planning for digital assets is just as important as planning for physical and financial assets. By taking these steps, you can ensure your digital legacy is preserved and managed according to your wishes.

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