



FINANCIAL PLANNING RESOURCES:

Digital Assets



Caring for ALL Your Assets

At The Trust Company, we're often asked, "What is it, exactly, that you do?" In simple terms, we help people manage their assets. We do financial planning, manage individual investment accounts and business retirement plans, administer trusts, and assist people with estate planning and charitable giving. We care for people's fiscal assets.

As trust officers and fiduciaries, we also frequently care for assets of the physical variety. These could include, for example, a home, farm, cars, jewelry, stamp collection, or an entire estate. These are all tangible items that have value, and The Trust Company has a duty to ensure their

safekeeping and that they are passed on to the designated beneficiary or beneficiaries according to the terms of a will or trust document. So, we manage money, investment accounts and tangible property for our clients... but did you know there is yet another category of assets that is perhaps just as important, but largely overlooked?

Think about your online footprint, and all the accounts that require a password to log in. These frequently include social media sites, online photo or video storage, customer loyalty programs, virtual currencies, online banking access, credit card points, and more.

The Revised Uniform Fiduciary Access to Digital Assets Act defines a digital asset as "an electronic record in which
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DON'T OVERLOOK THESE COMMON DIGITAL ASSETS

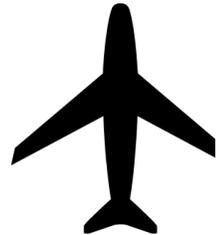


SOCIAL MEDIA & EMAIL

First look for ways to establish "legacy contacts" to save hassle & heartache for loved ones.

AIRLINE MILES & CREDIT CARD REWARDS

Each vendor will have its own terms & conditions, so be sure to look into all of them!



DIGITAL CURRENCY

PayPal, bitcoin, and other cryptocurrencies continue to gain popularity.

MUSIC & PHOTOS

Don't overlook Cloud based photo storage, digital music libraries such as iTunes, and other membership based Websites.





an individual has a right or interest.” It’s a broad definition, and you could have dozens of such accounts. And, just as you’d want your worldly possessions to go to loved ones upon your passing, you’ll surely want your digital assets to end up in the right hands, as well. That means they need to be a part of your estate planning.

Famous chef Anthony Bourdain bequeathed his frequent flier miles in his will. That was smart! He knew that without having specific directions for their distribution in place, those valuable miles could have been lost upon his death. And he must have had a lot of frequent flier miles.

It’s important to understand that simply giving someone your account information to access your digital life (in the event of your death) does not establish their legal right to do so. They may be unable to access the assets or to shut down social media accounts, leading to emotional distress and heartache, in addition to potential financial loss. Some sites, such as Facebook, explicitly forbid users from sharing access to their account as a part of their “terms-of-service.”

Title II of the Electronic Communications Privacy Act of 1986 prohibits “certain providers of electronic communication services or remote computing services” from disclosing “certain electronic communications and files.” Generally this means that an online service provider cannot give your account data or contents to anyone other than you—not even a family member or designated fiduciary.

A fiduciary such as The Trust Company is held to the highest “standard of care” in the

financial industry. If a trust officer were to access a client’s online account—even with the client’s permission—he could be in violation of the Computer Fraud and Abuse Act if that access went against the provider’s terms-of-service. It may seem ironic, but the laws that protect your digital privacy while you’re alive can end up leaving your digital assets exposed upon your death.

What should you do?

For starters, gather a list of your digital assets, along with user names and passwords. Check the terms-of-service on the various sites, for provisions such as Facebook’s “Legacy Contacts” and Google’s “Inactive Account Manager.” Utilize as many of these tools as possible to get the most basic protection.

Next you should incorporate all your digital assets into a legal document such as a will, trust, or durable power of attorney. See an estate planning attorney to draw up a will if you don’t already have one. In Kansas, we have an additional tool available to us called a “durable power of attorney” or DPOA. Creating one of these legal records will take care of those assets that don’t have a built-in mechanism for designating a posthumous account owner. It also will provide backup for the ones that do, in case the terms-of-service change along the way.

If you already have a will, trust or DPOA, we recommend that you revisit them periodically to make sure they include all your financial, tangible and digital assets. Not only will it greatly simplify the settlement of your estate when that day comes, it may also bring joy to your favorite travel aficionado!



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