

Unchained Inheritance Protocol

Bitcoin is designed as a long-term savings asset, but preparing to pass your bitcoin down through future generations requires more than just transferring the private keys to your bitcoin.

We designed these materials to help you quickly and easily solve the following problems:

- How do I ensure that my loved ones will be able to access my bitcoin in the event of my demise, especially if they are less technical?
- How can I maintain my financial privacy and avoid creating a single point of failure for my bitcoin while I am still alive?
- How do I find an estate planner who can help me write an effective will or trust?

A complete inheritance solution ensures that your intended loved ones get possession of your keys and valid title to your bitcoin under the terms of your estate planning documents. If a loved one has physical possession of the keys but your estate plan doesn't grant them good title, an unintended beneficiary can sue that loved one for possession and other damages. Properly planning for possession and title will save your family and estate from a possible arduous and extended legal process when the time comes. For more information, visit help.unchained.com/inheritance.

Unchained Inheritance Protocol contents

- **Key succession and transfer-of-title checklist:** Walks you through individual steps to take with the rest of the inheritance materials.
- **Executor/trustee letter A:** Introduces the responsibility of protecting a bitcoin key to be read by the executor or trustee upon delivery of the key while you are still alive.
- **Executor/trustee letter B:** Walks an executor or trustee through the bitcoin recovery steps and is only to be opened upon your death or incapacitation.
- **Unchained inheritance seed phrase card:** To be used to write down a copy of a seed phrase that protects the Unchained vault(s) that you would like the executor or trustee to recover.
- **Executor/trustee envelope:** The *envelope* where you seal the *Unchained inheritance seed phrase card* and *letter B* once they are filled out.
- **Tamper-evident bag:** To protect the *envelope* containing the *Unchained inheritance seed phrase card* and *letter B*.
- **Estate planner evaluation questions:** To help you interview potential estate planners to assist with forming your estate plan.

Continue to the *key succession and transfer of title checklist* to begin the key succession and inheritance planning process.

Key succession

- Identify your executor or trustee and confirm that they are comfortable with the responsibility of protecting sensitive information (details covered in *letter A*).
- Copy the seed phrase for one of your vault's keys (either key is okay) onto the *Unchained inheritance seed phrase card* carefully in black ink by hand. Some seed phrases are 12 words long, and some are 24 words long. Enter the correct number of words for your specific seed phrase. Do not enter your seed phrase into a computer or smartphone. Ensure that you write down the words legibly.
 - If you have multiple vaults, each built with a separate set of keys, you should complete this step for each vault. If you have multiple vaults, each built with at least one shared key, you should complete this step for the shared key only.
 - Write down the key name and corresponding vault ID(s) on the *Unchained inheritance seed phrase card*.
- Update *letter B* with the executor/trustee's name and your name.
- Insert the *Unchained inheritance seed phrase card* and *letter B* into the *envelope*, and seal the envelope in the provided *tamper-evident bag*.
- Update *letter A* with the executor/trustee's name and your name.
- Take a picture of the *tamper-evident bag* barcode and save it to encrypted cloud storage or write the barcode number down and save it somewhere secure, such as encrypted cloud storage or a password manager. Occasionally check the barcode with your executor or trustee to ensure the bag hasn't been replaced.
- Deliver *letter A* and the *tamper-evident bag* (containing *letter B* and the *Unchained inheritance seed phrase card*) to your executor or trustee in person. Ensure that they store the *tamper-evident bag* in a secure location, such as a home safe or safety deposit box. The executor or trustee needs to access the contents of the *tamper-evident bag* when the time comes.
- For your remaining non-inheritance seed phrases and devices, ensure you have stored them in secure, geographically separate locations. Also, ensure that you have downloaded and stored each vault's multisig configuration file in a password manager (not printed and stored with any of your physical keys).

Transfer of title

- Search for a local estate planner and schedule time with them to devise an estate plan, which may include documents such as a will, trust, power of attorney, and medical directive, among others. Bitcoin is generally treated like any other intangible property in an estate plan (similar to stocks and bonds), so you do not need any bitcoin-specific language to ensure that the title to your bitcoin is passed to the intended parties.

- If your estate plan involves bitcoin held in trust for loved ones that you don't wish to diversify into other investments, discuss with your attorney whether your trust document needs explicit language waiving any requirements your state may have for diversifying investments under the Prudent Investor Rule.
- Your estate planner must be licensed in your state of residence because each state has different property and probate statutes.
- Use the *estate planner evaluation questions* while interviewing attorneys.

Once you've completed the above steps, you can rest easy knowing that the title to and possession of your bitcoin will be smoothly passed on to your beneficiaries and that Unchained can easily assist them through the process.

Warnings

- Don't give your executor or trustee two seed phrases belonging to the same vault. They would only be one step away from controlling your bitcoin (obtaining your multisig config file). Only give one seed phrase per vault to an executor or trustee, which prevents them from accessing or losing your bitcoin while you are still alive.
- Don't give an executor or trustee an initialized hardware wallet with a key loaded on it. They can load the seed phrase onto a new device when the time comes, and they won't need to consistently keep a device up-to-date for many years.
- If the *Unchained inheritance seed phrase card* ever becomes compromised, you will not lose your bitcoin, but you will need to replace the associated key, then redo the above *key succession* steps with a new seed phrase. Reach out to Unchained for the latest copies of the inheritance materials.
- We recommend you don't tell your executor or trustee how much bitcoin is secured in each vault. That is more information than they need to know to be able to secure your key.
- If you ever need to change your executor or trustee as your estate plan evolves, it's important to treat your *Unchained inheritance seed phrase card* as **compromised** and rotate out that key by performing a key replacement and generating a new seed phrase. Reach out to Unchained if you would like help with this step.
- If you are using a passphrase on one key to your vault (not recommended), include it on the *Unchained inheritance seed phrase card*. And remember that passphrases are case-sensitive!

Executor/trustee letter A

Dear _____,

Thank you for participating in my estate plan. Enclosed are documents containing sensitive information regarding my bitcoin savings that you should only open in the event of my demise or incapacitation.

While the information is sensitive, opening the tamper-evident bag early or losing the tamper-evident bag will not expose my bitcoin savings to the immediate risk of theft or reveal my bitcoin balances. It is merely one puzzle piece required to recover the bitcoin in the event I am not around to assist.

Please do your best to protect this tamper-evident bag and its contents in a safe place, such as a home safe or safety deposit box. I will check in occasionally to ensure the tamper-evident bag is still secure.

If you lose the tamper-evident bag or believe it has been lost or compromised, immediately let me know so that I can arrange a replacement and provide you with new documents to secure.

Without the contents of this envelope, my bitcoin could become unrecoverable, so please store it in a place you will remember and protect it with care.

Sincerely,

Full name

Executor/trustee letter B

Dear _____,

If you are reading this letter, it means that I am no longer around or able to assist you in recovering my bitcoin savings. The following letter includes directions on how to recover the bitcoin in accordance with my estate plan. I was securing bitcoin in collaborative custody with a company called Unchained (unchained.com). Unchained will help you recover the bitcoin.

Please take care of these steps as soon as you are legally able.

Below is the required information to recover the bitcoin with Unchained's support.

- The *Unchained inheritance seed phrase card*. This is a key to my bitcoin and is critical to recovering the bitcoin if no other key is available. Do not take a photo of this card, and do not save or transfer the words digitally.
- For any bitcoin not in a trust or IRA, documents from the relevant Probate Office, Surrogate's Office, or court which formally appoints you as executor.
- For any bitcoin held in trust, a Certification of Trust showing the identity of the current trustee. The attorney who drafted my trust should be able to provide this.
- My death certificate.
- A form of photo ID (e.g., passport or driving license) for Unchained to verify you are my Executor (for bitcoin not held in trust or an IRA), trustee (for bitcoin held in trust), or plan beneficiary (for IRA bitcoin).

Once you have gathered the above information, follow the steps below.

1. Email **inheritance@unchained.com** or call **+1 (844) 486-2424** informing Unchained of my name and my death only—**do not share inheritance seed phrases with Unchained**.
2. Unchained will verify the information.
3. If needed, Unchained will ship you the required equipment and schedule a one-on-one call with you to walk you through the recovery using the inheritance seed phrase.

Thank you for your assistance with this process.

Sincerely,

Full legal name

Date

Unchained inheritance seed phrase

1 _____ 7 _____

2 _____ 8 _____

3 _____ 9 _____

4 _____ 10 _____

5 _____ 11 _____

6 _____ 12 _____

(Continue on reverse for a 24-word seed phrase)

Key name _____

Vault ID(s) _____

Passphrase _____

(if applicable)

Unchained inheritance seed phrase

(Only use this side if your seed phrase is 24-words in length)

13 _____ 19 _____

14 _____ 20 _____

15 _____ 21 _____

16 _____ 22 _____

17 _____ 23 _____

18 _____ 24 _____

(First half of the seed phrase on reverse)

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Estate planner evaluation questions

Ask each prospective estate-planning attorney the following questions to learn about estate planning and determine whether the attorney is right for you.

- Do you belong to any professional associations?
- Is your primary focus on estate planning?
- Are you licensed in my state?
- Have you ever drafted an estate plan for someone with bitcoin?
- Do you also assist my loved ones with executing my estate plan after I am gone?
- Do you conduct periodic reviews to help keep my plan up to date?
- Can you help me create a comprehensive plan covering all aspects of my estate?
- What other issues do you address? (Power of attorney, healthcare directives, living wills, etc.)
- How do you charge? Flat fee or hourly?
- Do you carry malpractice insurance?
- How long will it take you to complete my estate planning project?
- Will you send estate planning documentation for me to review before I come to the office to sign?
- Will anyone else in your office be able to discuss my issues in your absence?

Questions for you

Here are several questions you should ask yourself when meeting with a potential estate-planning attorney:

- How comfortable do you feel?
- Do they communicate well and clearly?
- Do you align with their general values? How does their bedside manner make you feel?
- Can you envision speaking with this individual about very personal matters?

Trust your instinct to determine if a particular estate-planning attorney is right for you. Estate planning can be complex, both emotionally and legally, so it's imperative to choose an attorney who can deftly handle all of its elements.