



## DIGITAL CONTROL IN HERITAGE TRUST MANAGEMENT

**Akramov Akmaljon**

Senior Lecturer of the Private International Law Department, Tashkent State University of Law,  
Gmail: [lawyerjon191919@gmail.com](mailto:lawyerjon191919@gmail.com)

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<p><b>Received:</b> December 10<sup>th</sup> 2023 <b>Accepted:</b> January 8<sup>th</sup> 2024 <b>Published:</b> February 10<sup>th</sup> 2024</p>	<p>This article emphasizes the main concepts related to the implementation of digital control in trust management, the powers of state authorities in the implementation of digital control. Also, specific issues related to ensuring the security of a person's assets after his death and maintaining his digital security are emphasized</p>
<p><b>Keywords:</b> digital property, digital heritage, authority, digital assets, blockchain technology, digital relationship, digital assets of a person.</p>	

In the modern era of the digital age, characterized by a society and economy driven by the development of information and technology, large amounts of data can be commoditized and turned into revenue for businesses. This is one of the characteristics of the modern era of the digital age. The current value of the data mining and aggregation industry is approximately \$138.9 billion and is expected to increase to approximately \$229.4 billion by 2025. People are moving more and more aspects of their lives to the digital sphere, which will further expand the global data business. Traditional types of fiduciaries arise from mutual relationships that constitute de facto fiduciaries.<sup>1</sup>

These ties, whether as a result of their specific purpose or the alleged factual or legal circumstances that underlie them, collectively give rise to what are called fiduciary duties. The law recognizes two distinct categories of de facto fiduciary relationships: fiduciaries, which include trustees, agents, executors, and family members; and quasi-fiduciaries, including real estate agents, insurance agents, consultants and professionals. The law distinguishes between these two categories of de facto fiduciary relationships. There is an assumption that these communications are reliable; however, the specifics of the circumstances that arise will determine whether a particular obligation is fiduciary in nature.<sup>2</sup>

Information fiduciaries are a newly recognized category, which it defines as "individuals or organizations that, because of their relationship with another, assume

additional responsibility for the information collected in the course of that relationship." In the world of individuals, this new type of data is considered innovation. Digital businesses collect and use users' personal data, which they owe to those users, such as a doctor, lawyer or accountant, to their patients, clients Like professionals, digital corporations try to persuade users to use their platforms by presenting themselves as trusted sources of information.<sup>3</sup>

In addition, it is common for both medical practitioners and digital businesses to request personal information from patients, customers or users. This applies to both offline and online businesses. Regardless of whether data sharing is intended to improve services to patients, clients, or users, the knowledge asymmetry and power imbalances inherent in these interactions can sometimes be used to the advantage of these parties. . This is because the disclosure of information should improve the services provided to patients, customers and users. Despite the turmoil that has affected the digital asset ecosystem over the past few months, resulting in an estimated \$2 trillion in value losses,<sup>4</sup> However, this asset class, its trustees and those who advise on it are exposed to a range of non-traditional risks such as extreme volatility, cyber security, fraud, and hackers. These risks are quite different from those that should be considered for traditional investments. Different types of digital assets have their own level of risk, just like traditional asset classes. The types of crypto assets entrusted to a trust should be carefully considered by trustees, as some carry greater risk than

<sup>1</sup>Khymchenko, A. I. (2022). Issues of creating the digital environment of trust as a structural element in the digitalization of Public Administration. *The Rule-of-Law State: Theory and Practice*, 18(3(69)), 159–164. <https://doi.org/10.33184/pravgos-2022.3.22>

<sup>2</sup>DORU, D. Ö., YILDIRIM, B., & YAZAR, A. (2022). Change in public administration: The relationship between

Digital age governance and Postmodernism. *Ege Academic Review*. <https://doi.org/10.21121/eab.1166635>

<sup>3</sup>Serrat, O. (2022). Leading in the Digital age. *Digital Solutions*, 47–60. [https://doi.org/10.1007/978-981-19-7253-9\\_4](https://doi.org/10.1007/978-981-19-7253-9_4)

<sup>4</sup>Habibova, K., & Zaretskaya, E. (2022). Law and legal relations in the Digital age. *SHS Web of Conferences*, 141, 01019. <https://doi.org/10.1051/shsconf/202214101019>



others. For example, NFTs promoted through social media, digital currencies such as Bitcoin and Ethereum, which have large market capitalizations and relatively solid reputations,<sup>5</sup>

Additionally, the risk associated with crypto assets held indirectly through a regulated fund or publicly traded entity is significantly lower than the risk associated with crypto assets held directly in trust. This is because managers are charged with the responsibility of managing portfolios appropriately. It is imperative that the trust instrument contain strong "Anti-Bartlett" language to limit the trustees' liability for managing and interfering with the conduct of the parent corporation holding the cryptocurrency assets. For example, if the corporation invests in crypto-assets that may decline in value or fail altogether, it limits the rights of trustees.<sup>6</sup> A high-level oversight role requires trustees to ensure that the parent company has sufficient information about the status and amount of the digital asset portfolio, as well as the general affairs of the company. Caregivers should ensure they have this information before taking on the role. Custodians and wealth advisors may be required to treat digital assets as distinct asset classes, each with unique challenges and risk profiles, as the digital economy continues to become ubiquitous. When dealing with digital assets, fiduciaries should ask themselves the above questions to better understand how to mitigate potential risks, although the information presented here is not exhaustive or indicative in nature.<sup>7</sup>

People must provide sensitive personal information to companies in order to use the many online services available to them. This trust can be used if the firms in question are not reliable information, but are distant strangers. Unless corporations have expressly agreed to these obligations in a written contract, they have an obligation to protect confidential personal information or to refrain from using it in a way that directly conflicts with the end user's interests. They don't have. There is a wide range of activities that fall under the category of fiduciary duties.<sup>8</sup>

We don't need to approach Facebook or Google like your doctor, therapist, or accountant. The types of

obligations that ISPs agree to undertake must depend on the types of services they actually provide and the people they manufacture and use their products and services. Digital expertise is becoming more widespread among firms, helping strategies to decide what to discuss with suppliers. One example of a topic to consider is whether the designers of the participant platform considered the latest research on participant behavior when developing it.<sup>9</sup>

Avoiding digital firms that collect and use our data is becoming increasingly difficult. Companies that collect information about us and our activities include companies that provide services such as telecommunications, Internet access, social media, search engines, platform services such as Uber, Airbnb and Instacart, and health and fitness applications such as Fitbit. Video games like Pokémon GO and Fortnite, video conferencing tools like Zoom, and media streaming services like Hulu, Disney+, and Netflix. There is a legal concept called "relationship of trust" and it refers to situations that arise. The law takes into account both the express or implied offer of trust by the stronger party and the acceptance of that offer by the weaker party.

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