## Digital Property Spring 2025 Final Exam

This assignment consists of **two questions** and **eight pages**, including this cover page. Your answer has a limit of **1,500 words per question**, which will be strictly enforced. It is due by **11:59 PM on Thursday**, **May 15**.

Submit your answer by uploading a PDF to the Final assignment on Canvas. Because the exam is blind-graded, keep your **name and other identifying information** out of the PDF you submit.

This is an **open-book** examination. You should not need to consult anything beyond the casebook, the slides, and your notes, but you can if you wish. You are free to discuss the general legal principles we have covered with anyone, including each other. You are free to post general questions about the material covered in the course or clarifying questions about the *facts* (not the law) in the problems on the exam in the designated discussion area on Canvas. I will answer all questions posted there before 11:59 PM on Monday, May 12.

Aside from that, **you may not discuss the question** with anyone else until after I have returned your grades. Your work on this examination is subject to the Cornell Code of Academic Integrity, the Law School Code of Academic Integrity, and the Campus Code of Conduct.

Please make your answer as **specific** to the facts of the question as you can. Generic statements or suggestions, such as "Make sure that all employees follow proper security practices," will receive few or no points. Your answer should assume that I am already familiar with the facts of the problem and relevant law, and dive directly into your analysis. Use **simple citations** (e.g. "*see Kremen*") where appropriate. I include **spelling**, **grammar**, **clarity**, **and organization** in my grading, but unless they interfere with my ability to understand the substance of your analysis, you are better off focusing your time on the substance of your answer. I appreciate the use of headings to organize your answer, but they're not required. If you find the question **ambiguous** or need to **assume additional facts**, state your assumptions and explain how they affect your answer. No reasonable resolution of an ambiguity will be penalized.

Assume for purposes of the examination that present-day law has been fully in effect at all relevant times. Unless otherwise noted, all names are fictitious. Please disregard any resemblance to actual persons, places, or institutions, unless they are specifically incorporated into a question.

You can focus on the property issues. If you need to make assumptions about other areas of law, such as tort or contract, it is fine to write "I assume that ..." rather than giving a detailed explanation.

## Policy on the use of Generative AI Systems

You are **allowed** to use **generative-AI** tools in researching and writing your answer, subject to four conditions:

1. The tools must be **entirely automated**. You may not circumvent the rule against discussing the question with anyone by using a hybrid human/computer system, asking someone to help you with your prompts, or doing anything else that puts a human in the loop.

2. The tools you use must be **freely and publicly available**. You may not use any tool for which you paid a usage or subscription fee (or someone else paid it on your behalf), or use any tool that has not been released to the general public.

3. You must **disclose** which tools you used and give a brief description of how you used them in an appendix to your answer. For example, "I input the question to Claude to generate ideas. I used ChatGPT to help clean up the answer." If you did not use any generative-AI tools, you can write "I did not use generative-AI tools in writing this answer" or words to that effect. This appendix does not count against the word limit.

4. Any use of generative-AI tools is entirely <u>AT YOUR OWN RISK</u>. You are fully responsible for anything you submit; I will not accept "the computer did it" as an excuse for mistakes of fact or law. Large language models are well known to confidently make blatantly false assertions, cite non-existent cases, and inaccurately summarize legal doctrines. In my experience, they are also bad writers; their outputs are often bland and wordy. <u>YOU HAVE BEEN WARNED</u>.

## Hard Drives Out

Your client is Alan Stevens, who is serving as executor for the estate of the late Harlan Thrombey, a successful crime novelist who had published fourteen books with Blood like Wine Publishing. Stevens is responsible for pulling together the estate's various assets and distributing them in accordance with Harlan's will. He has asked for your advice in connection with a number of Harlan's digital assets.



Alan Stevens discussing Harlan's will with the Thrombey family.

Harlan left a small sticky note with computer passwords on it attached to his will in his office desk. Stevens used the passwords to unlock Harlan's desktop computer. On it, he found complete drafts of two unpublished novels, and partial drafts of three more. Comments in the drafts suggest that Harlan may have used ChatGPT to generate ideas for plot twists and to write substantial portions, possibly as much as entire chapters.

The note also included the password to Harlan's account at Go For It, an online site for playing the board game <u>Go</u>. Go For It allows users to purchase a virtual currency called "stones" at a rate of 10 stones for \$1.

Each player to a game must pay one stone to Go For It, but players can also bet against each other on the outcome of a game between them. Online gambling is illegal in Massachusetts, where Harlan lived. Go For It does not enable players to convert stones back into dollars, but players can use stones to purchase cosmetic upgrades, so that their in-game playing pieces look fancier. There is apparently a thriving secondary market for stones on sites like StoneTrade; the way it works is that the buyer and seller play a game on Go For It and place bets for the amount of stones to be transferred, and the seller then deliberately loses.

At the time of Harlan's death, his Go For It account contained 12,350 stones and the "whirling knives" cosmetic upgrade. It also had a Player Rank of 1,800, which he had achieved by winning numerous games against other ranked players. It appears from his credit-card records that he had purchased a total of 8,500 stones in the past five years. Go For It's terms of service specify that stones have no monetary value that accounts are non-trasnferrable, and that it is forbidden to conspire to fix the outcome of a game.

Harlan used Ghostchat to communicate with his daughter Linda Drysdale. Ghostchat is a disappearing-message service that deletes all messages after 30 days. Harlan died 10 days ago, and Linda is desperate to preserve her last communications with her father. She has screenshotted the messages that she still has on her phone, but she is convinced that Ghostchat may still have some records of their earlier conversations. She has asked Stevens, on behalf of the estate, to do everything he can to obtain those messages from Ghostchat and give them to her.

Hugh Drysdale, Linda's son and Harlan's grandson, is distraught at his father's passing and blames the hospital where Harlan received treatment in his final days. Based on Internet research, Hugh is convinced that a nurse gave Harlan an injection of the wrong medication. Hugh went into Harlan's office the day of his death, found a pad on which Harlan had written down his the passwords for his various online accounts, and used it to log in to Harlan's account and download his medical records. In his stress and excitement, Hugh then vomited uncontrollably on the pad, rendering the passwords unreadable. On further inspection of Harlan's computer, Stevens has discovered that it contained hundreds of ebooks of crime novels by other authors. About half of them appear to have been purchased from Amazon; the other half seem to have been downloaded from a pirate site for unauthorized ebooks, The Donut Hole.

And finally, at the time of his death, Harlan had given his grandson Jacob and granddaughter Meg the password to his Instagram account, **@ButlerDidlt**, to post about their favorite passages from their grandfather's novels. They got into an argument over which of his books was best (Jacob said *Hook, Line, & Sinker*; Meg said *A Kill for All Seasons*), and Jacob changed the password on the account. He has refused to divulge the new password, saying that Meg doesn't understand Harlan's true genius and no one else can properly continue his legacy.

In relevant part, Harlan's will said that his son Walt Thrombey should inherit "all my writings," that his friend Marta Cabrera should inherit "my Go For It account and all it contains," and that the rest of his estate should go to his mother Wanetta. It does not mention anything about the computer, Ghostchat, his medical records, or any of his other accounts. Harlan's computer is currently logged in to Ghostchat, but it is logged out of Go For It, the hospital system, and Instagram.

Advise Stevens on the property law issues raised by Harlan's will. Identify the relevant items of property, and discuss the legal and practical challenges involved in carrying out Harlan's wishes with respect to them.

## **Gorilla Glass Onion**

Your client is Miles Bron, an entrepreneur and art collector. He has requested your advice in dealing with a thorny set of property issues that came to a head during a vacation at his house on Pisceshite Island.



Miles Bron explaining his NFT investment strategy.

In 2023, the <u>Louvre</u> art museum created a series of NFTs on the Ethereum blockchain of some of its most notable artworks, including the <u>Mona Lisa</u>, the <u>Oath of the Horatii</u>, and the <u>Venus de Milo</u>. (All of these works are in the public domain and are not subject to copyright.) Although it sold some of the NFTs at auction for prices ranging from \$1 million to \$3 million, it reserved some of its most notable pieces for a "loan" model. In exchange for a fee of \$150,000, patrons of the arts could receive the NFT for a period of one week, at the end of which they were required by contract to transfer it back to the Louvre. During that time, they could truthfully say that they possessed an NFT of a world-famous piece of art.

Miles rented the Mona Lisa NFT on March 12 for a one-week period, and paid the Louvre the fee by wire transfer. He then invited a group of friends to his house on Pisceshite for a party to "celebrate great art." But almost as soon as they arrived, tempers began to flare.

Miles had intended to invite his former colleague Cassandra Brand. But he asked his assistant Derol to send out the invitations. Derol pulled the wrong information address from Miles's contact list and instead emailed Helen Brand, a school teacher. Helen arrived by boat to the island, to Miles's surprise. Although he insisted that there had been a mistake, Helen has insisted that she received a valid invitation and has refused to leave.

Next off the ferry were Duke Cody, a streamer and podcaster, and Claire Debella, a politician. Duke was streaming live from a couch in Miles's living room and started waving around the pistol he regularly carries. This made Claire nervous, so to calm her, Miles asked Duke to put the pistol away in Miles's safe for the weekend. Duke agreed, and continued to stream live as Miles opened the safe. An unknown viewer of the livestream was able to see the combination that Miles entered, and then successfully guessed that he might use the same combination elsewhere. as a password. The viewer successfully logged in to Miles's account at The Crypt, a cryptocurrency exchange that uses a custodial wallets (i.e., where the exchange rather than the user holds the private key). They transferred 3.625 Bitcoin (with a value of ~\$357,000) to an address ending in -r3Tz. Reviewing blockchain records shows that they were then transferred to an address ending in -Gx48, and then back to The Crypt. A subpoena to The Crypt has revealed that the account holder for the redeposited Bitcoin is Jackie Cody, Duke's mother.

Birdie Jay, a fashion designer, worked on a number of sketches during her days on the island, mostly writing on paper napkins that Miles had set out in the living room and by the pool. She left the napkins lying around, intending to collect them before her departure. Miles picked up one of the napkins with an ornate circular design for a fabric print, thought it was neat looking, put it in a frame, and hung it in his office. He refuses to return it to Birdie. Duke took a photo of another one, a dress design, and posted it to his social-media feeds. And then, Miles left a stack of business papers unattended on the countertop while cooking. A breeze from the open window blew them into contact with the open flame on the stove, starting a fire. His sprinkler system kicked in, ruining eight of Birdie's sketches by getting them soaking wet.

Lionel Toussaint, an engineer at one of Miles's companies, the search engine Alpha, was concerned about mishandling of personally identifiable user data. He attempted to persuade Miles that Alpha should not allow Klear, an AI company, to train its models on Alpha's database of users and their full search-query histories, but Miles disagreed. Frustrated, Lionel went on one of Duke's livestreams and described in detail the previously secret contact between Alpha and Klear. Lionel also found a time when Miles's iPad was unlocked, sat down at it, logged into his (Lionel's) personal Outlook account, and emailed himself every file about the Alpha-Klear deal that he could find on the iPad.

Agitated from all the weekend's stress, Miles mistyped a digit when entering the transaction to send the Mona Lisa NFT back to the Louvre. As a result, he instead sent it to an arbitrary blockchain address, one with no known corresponding private key. The Louvre has threatened to sue him unless the NFT is returned in the next five days.

Advise Bron on the property issues raised by these events. Identify the relevant items of property and discuss the parties' rights and liabilities with respect to them.