AT THE PLEASURE OF THE STATE

Sovereign Risk, Geopolitics and the Hidden Fragility of Great Family Wealth



ANGELO ROBLES

SFO CONTINUITY

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Historical examples are supported by the public sources at the back of the book. Scenarios identified as hypothetical illustrate dependencies; they are not predictions or descriptions of a real family.

Foreword

A fortune can survive on paper while the family loses the power to use it.

That is the vulnerability this book examines. The bank balance remains visible. The property remains registered. The trust remains valid. Yet the wire will not move, the authorized person cannot be reached, the destination will not admit the family, or the institution holding the asset has instructions that matter more than the client relationship. Wealth still exists. The family's freedom to act has narrowed.

Sovereign risk is the danger that government—through policy, incompetence or malice—confiscates, devalues, restricts or destroys your wealth, or your ability to use it. Geopolitics is how geography, resources and relationships among states shape power. The two meet when a rivalry becomes a sanction, an alliance shapes whose assets are frozen, or a conflict interrupts the energy and transport systems a family relies on. Your domestic arrangements can inherit the consequences of a contest unfolding thousands of miles away.

Exceptional specialists can improve individual decisions while leaving the connections between their work unexamined. Each adviser answers the question inside a mandate. The family lives with what happens when those mandates fail to connect.

I bring more than twenty years inside the ecosystems of over a hundred billionaire families across four continents to this question: what remains usable when a critical institution, person or system stops cooperating?

Private wealth depends on property rights, independent courts and due process. Sovereign risk begins when the institutions protecting a claim also acquire the power to interrupt its use. The family must be able to act while that conflict is being resolved.

My position is explicit. I believe in property, enterprise, limited government and the freedom to build. Call that libertarian or right-leaning; I am comfortable with either. I object to the expansion of compulsory power over private capital, whichever party proposes it. Republican deficits deserve the same scrutiny as the left's wealth taxes. A power created for one emergency can outlive both the emergency and its authors.

This work should enlarge the family's freedom to build. American enterprise and AI offer extraordinary opportunities. Pursue them with stronger authority, accessible resources and intelligence you can still use when ordinary arrangements fail.

The gain begins before a crisis. Clear authority shortens ordinary decisions. A tested successor strengthens the office today. Independent access to money makes commitments more deliberate. An institution that preserves its own knowledge learns faster. The same work that reduces fragility can give a family greater capacity to build.

I play poker. The next card is unknown, and the decision still belongs to you. I cannot predict the next decade. I can examine probabilities, manage position and adapt when the information changes. Acting early costs money. Acting too late can cost everything. The response must be proportionate, then tested, rehearsed and revised. Certainty is unavailable. Better choices are not.

The chapters that follow develop the argument and give you questions you can put to your office now. The deeper implementation work lives in the member handbook, Sovereign Risk & Disaster Preparedness: For the Ultra-Wealthy and Their Family Offices. That work continues through SFO Continuity, the private intelligence and strategy community I founded for families and their family offices.

Today the community brings together approximately one hundred families around the world. Members have direct access to me, the full member library and a year-round program of AI Family Office Masterclasses, private forums, dinners and soirées. The two AI books are updated every thirty days because the capabilities families need keep changing.

The community connects resources to decisions: structures assessed in context, responsibilities assigned and capabilities tested.

Read with your own arrangements in mind. At every point, ask what would remain usable, who could act, and what evidence supports the answer.

Consider this book a taste. It distills a fraction of what I have learned in more than twenty years inside the ecosystems of billionaire families, and I have chosen to share more than is comfortable, because the subject deserves it. The full work is something else entirely: a handbook of more than a thousand pages, a private community of families confronting the same decisions, and time with me and with peers, side by side, applying it to your own family. This book shows you the door. The work happens on the other side of it.

Your net worth tells you what has been accumulated. Your capability determines what you can still do with it.

Angelo Robles

November 2026

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Prologue

You are worth six billion dollars.

This weekend, none of it answers to you.

The family, arrangements and sequence that follow are hypothetical.

Friday, 4:12 p.m.

Your private banker of twenty years calls. Your accounts are under review. Outbound payments are restricted. He cannot tell you why.

He knows your children. He attended your father's funeral. Today, the relationship changes nothing. The decision belongs somewhere else inside the institution.

Friday, 5:30 p.m.

Monday's $180 million acquisition cannot fund. The closing is at nine. The seller's lawyer mentions, politely, that there is a backup bidder.

You are on a plane. Your daughter has authority on paper; the office has never tested whether another bank will accept her instruction without you. There is a second banking relationship. There is no demonstrated second route to the money.

Friday, 7:20 p.m.

A reporter calls. She has heard there is an investigation. You have received no such notice. The general counsel wants to establish the facts before responding. Her story runs at nine.

Your counterparties will read it before anyone resolves what the restriction means.

Friday, 9:47 p.m.

Your card is declined at dinner. Eight people at the table. All of them will remember.

The moment is small. The implication is not. You cannot buy your way out of a dependency while the route to payment is closed.

Saturday, 8:00 a.m.

The bank holding your pledged shares has read the story. Under the credit agreement, it demands $90 million in additional collateral by Tuesday at noon, or it can begin selling.

It is the same bank that restricted your payments. The office is trying to satisfy one demand through the institution that has blocked the means of satisfying it. Your assets have become connected in ways the allocation report never showed.

Saturday, 11:15 a.m.

Your Guernsey trustee needs its board to authorize the proposed distribution. The next meeting it can assemble is Wednesday.

The trust exists. The assets exist. The authority you need arrives after the deadline.

Sunday, 11:58 p.m.

Everything you own is still yours. The businesses, buildings and recorded claims remain. The closing is at nine tomorrow morning. The collateral is due Tuesday at noon.

You have spent the weekend discovering who can actually help—and how many of the people you counted on cannot act.

Six billion dollars. No usable answer to the question in front of you.

The mechanism is not reserved for billionaires. At twenty million or two hundred million dollars, the amounts change. Deadlines, delegated authority and dependence on an institution’s permission do not.

The failure began long before Friday. A second account had been mistaken for an independent payment route. A mandate had been mistaken for accepted authority. A trustee had been mistaken for a response available on demand. The family had bought expertise without testing the connections.

That is the work this book opens. Where can access stop? Who can act when it does? What remains usable before a court, a committee or a counterparty has finished deciding?

A quiet Tuesday is the time to discover the answer. Prepare while the family can still choose.

Wealth at the Pleasure of the State

Let me start with a definition, because everything else depends on it.

For a family, sovereign risk is the danger that government—through policy, incompetence or malice—confiscates, devalues, restricts or destroys your wealth, or your ability to use it.

Your own government belongs in that definition. Sovereign risk operates through familiar laws, elected institutions and emergency powers. Courts can overturn a measure after access has already been lost. A family must be able to function during that interval.

In 1933, the United States required the delivery of most privately held monetary gold, with specified exceptions, in exchange for dollars at the official price of $20.67 an ounce. In January 1934, the government raised the official price to $35. The price rose by roughly sixty-nine percent after holders had been compelled to exchange the gold covered by the order.[1,2]

In July 1966, Britain reinstated a basic annual foreign-exchange travel allowance of fifty pounds. A separate allowance for sterling notes and other detailed rules applied. The principle was unmistakable: the government determined how much foreign exchange an ordinary traveller could obtain.[3,4]

One announcement changed the cash in a nation’s pockets. On the evening of November 8, 2016, India announced that its existing five-hundred- and one-thousand-rupee notes would cease to be legal tender at midnight. Those denominations represented about 86 percent of banknotes in circulation by value. Deposit and exchange routes remained. The paper had not changed. The permission to spend it had.[5,6]

In 2022, Canada invoked emergency powers and required financial institutions to freeze accounts connected to the convoy and blockade protests. The Federal Court later found the invocation unreasonable. The Federal Court of Appeal upheld that conclusion in January 2026, and the Supreme Court granted permission for a further appeal in October. The final appeal remained unresolved as this book went to press. The interruption of access came first.[7,8]

These measures arrived through the machinery of government. That is why sovereign risk belongs inside the analysis of a family's ordinary arrangements, including arrangements in countries it trusts.

Government can compel compliance through law and force. The family still has to function between an order and a remedy. Energy, supply chains, cybersecurity and intelligence belong in this argument because their failure can destroy the capacity to respond.

The difference between owning and commanding

Much of family wealth depends on enforceable rights and the institutions that make those rights usable.

An ordinary bank deposit is a debt the bank owes you. Securities held through a broker can carry ownership and customer-protection rights that are materially different from a bank deposit. A trust imposes legal duties on its trustee. A property title gives rights over a particular asset. Even gold held directly can depend on a vault operator, transport provider and the law governing its location.

The question is what rights the family has, which institutions must perform, and how quickly those rights can be exercised.

An enforceable right can survive the deadline it needed to meet. Banks, custodians, courts and registries determine when a claim becomes a payment, a transfer or possession. The family needs rights it can defend and resources it can command while the defense proceeds.

This is the central insight of this book, and I want to put it as plainly as I can.

Owning wealth is not the same as commanding it.

A family can be enormously wealthy on paper and completely unable to act. It can own buildings it cannot sell, accounts it cannot access, shares it cannot transfer and structures that no one has authority to operate. Its balance sheet can be immaculate on the very day it cannot make payroll.

The question that should keep you awake

There is a question I want every family to ask. It is simple, and it changes how the balance sheet looks.

Who has to cooperate for this asset to be worth anything on the worst day?

Ask it of your largest bank deposit. Ask it of your trust. Ask it of the shares in your operating company, your art in a freeport, your bitcoin on an exchange, your second home, your aircraft, your private equity commitments.

For most assets, the honest answer is a long list. A bank. A custodian. A transfer agent. A registry. A court. A regulator. A payment network. An insurer. A manager. A counterparty. And behind every one of them, a government that can, under the right circumstances, instruct them to stop.

A balance sheet records ownership and value. It does not by itself show every dependency required to use that wealth. The family needs that second map, including the dependencies that sit outside the investment portfolio.

Why this is different from ordinary risk

Family offices are good at managing risk. They diversify across asset classes, managers, geographies and vintages. They hedge currencies. They buy insurance. They hire excellent people.

Almost all of that work assumes the system holds.

Diversification across managers can reduce investment risk while leaving the family exposed to one legal restriction. Several banks can provide useful alternatives and still share a payment rail or jurisdiction. A well-drafted trust can protect rights without making instructions executable that afternoon. Insurance can transfer defined losses while leaving the family responsible for funding the response before a claim is paid. Each protection must be judged against the failure it is meant to survive.

Sovereign risk is not one more risk in the portfolio. It is the risk to the portfolio’s foundation, the assumption that the institutions behind your wealth will keep cooperating with you.

Six ways it reaches your family

Ownership: can you still hold the asset? Purchasing power: what will it buy after inflation, devaluation or a change in the currency rules?

Access: can you withdraw, transfer, sell or pay? Authority: can the right person give a binding instruction, and will the institutions accept it?

Movement: can the family and its capital reach a usable alternative? Remedy: can you enforce your rights before delay becomes a permanent loss?

Preparedness Without Retreat

A serious treatment of sovereign risk must leave the family more capable of participating in the world.

I see enduring strength in American enterprise and the institutions that support it. I intend to keep participating in that growth. The question is how to pursue opportunity without making every essential function depend on a single uninterrupted system.

A crisis can remain narrow. A prosperous society can continue functioning while one family faces an account restriction, a contested instruction, a disrupted business or an unexpected tax liability. The family must be able to respond at its own scale. Waiting for national collapse before examining these exposures would miss the risks that reach a family first.

Preparation also creates an offensive advantage. Know what you can spend while others are still asking their banks. Give a successor authority that has already been accepted. Keep enough reliable information to reject a bad deal even when everyone is shouting about urgency. The same work that protects the family under pressure improves its decisions in ordinary conditions.

CHAPTER 02

Who Owns the Whole Problem?

The dangerous gap can sit between excellent advisers.

Your private bank may be outstanding. So may your lawyers, tax advisers, investment team and security providers. A family can receive excellent advice from each and still lack anyone accountable for the conditions under which all of it must work together.

That is the question to settle: who owns the whole problem? A list of distinguished firms does not answer it. Neither does a meeting in which everyone reports that their individual mandate is in good order.

Expertise has a perimeter

A trust lawyer must understand the trust. A banker must understand the bank's services and obligations. A security provider must understand physical protection. Their specializations are necessary. The exposure arises when the family assumes the connections between those specializations will take care of themselves.

When accounts become unavailable, the problem crosses mandates immediately. The lawyer considers the order. The banker considers the account. The chief financial officer considers payroll. The security team considers movement. The successor needs to know whether an instruction can be issued and accepted while the principal cannot be reached.

Someone must have tested those connections before the call comes. That responsibility can sit with a capable executive or a clearly appointed team. It must have authority, information and the principal's backing. It cannot remain an assumption shared by people who each believe somebody else is handling it.

Incentives shape the advice

A bank earns its living from the relationship it holds. Understand that incentive before asking it to assess the family's dependence on the banking system.

A wealth platform earns fees on assets within its reach. A manager specializes in the structure it manages. The family must distinguish a provider's competence from responsibility for the family's entire position.

The strongest advisers can identify when another institution, specialist or jurisdiction would serve the family better. The office should make that conversation explicit. Where does this provider's responsibility end? What would it recommend if it earned no additional revenue from the answer? What happens when the advice requires moving part of the relationship elsewhere?

Regulation creates another boundary. A bank must obey a lawful restriction even when it disrupts a valued client. Counsel cannot promise that a structure defeats every future statute. A capable adviser works within those realities. The family must understand them well enough to plan its lawful alternatives.

The uncomfortable question gets postponed

There is also a social problem. Raising capital controls, bail-ins or political targeting can make an adviser sound alarmist. The meeting has an agenda. The portfolio needs attention. The principal has another call. A concern that crosses every mandate is easy to defer because it belongs neatly to none.

The office needs a place where that concern can become a decision. Otherwise everyone can acknowledge the risk and leave it unowned. Agreement without responsibility is one of the most expensive forms of reassurance.

The family office owns the connections

The single-family office has a job no specialist owns: the combined result. Its mandate belongs to one family. That gives it a duty to make legal, tax, investment, banking, cyber, security and succession advice work together, including where one recommendation damages another.

It must protect purchasing power and the family's ability to act. That includes capital, people, information, relationships, reputation and the next generation's capacity to decide. Sovereign risk, residence, structures, custody and disaster readiness belong in one operating picture.

Good specialists have defined mandates. They may also have fee incentives, institutional obligations and conflicts. Record them. Resolve contradictions. Assign decision rights. Name who implements each choice, by when, with what evidence. Rehearse what happens when the principal, a provider or a jurisdiction stops cooperating.

Serving one family does not make an office competent. A rising balance sheet can conceal a declining institution. The business grows while approvals slow and authority stays trapped in one person. The office becomes another dependency it was meant to remove. If you built it again today, what would you refuse to inherit? Judge it by decision quality, execution speed, the strength of its people, clarity of purpose, adaptability of systems and the family's capability. A family without a formal office still needs an accountable owner of the whole.

CHAPTER 03

The Cassandra Problem

In Greek myth, Cassandra was given the gift of prophecy and the curse that no one would believe her. She foresaw the fall of Troy. She warned the Trojans about the wooden horse. They brought it inside the walls anyway.

Seeing the risk is the easy part. The Cassandra problem begins when someone must pay, disrupt a comfortable arrangement or tell the principal that waiting has become a decision. Intelligence delivers the warning. Someone with authority has to act on it.

Why intelligent people dismiss warnings

The families I work with are not naive. Many built enormous enterprises by seeing what others missed. Yet the same people who took extraordinary risks to create wealth often become remarkably resistant to examining the risks that could destroy it.

There are reasons for that, and they are worth naming, because you cannot defend against a bias you will not admit you have.

Normalcy bias. It has not happened to me, so it will not happen. Every year in which the system holds becomes further evidence that it always will. The longer the calm, the more confident the dismissal.

Extrapolating success. Successful people learn from their successes. The decisions that made the fortune become the template for every decision afterward. But the conditions that made a fortune possible are not guaranteed to persist, and the instincts that built wealth are not the same instincts that preserve it.

Status quo. Changing anything requires effort, cost and the admission that the current arrangement might be inadequate. Doing nothing requires nothing. Inertia always has the best lawyer in the room.

Social proof. No one in my circle is doing this. If it mattered, surely someone would be. But your circle consists of people with the same advisors, the same banks and the same assumptions. Their calm is not evidence. It is correlation.

The cost of looking foolish. Preparation that turns out to be unnecessary feels like a waste, and no one wants to explain to the family why they spent money guarding against something that never happened.

The Detroit paradox

It is not always what you do not see that destroys you. Often it is what you see clearly and decide not to act on.

Detroit makes the problem visible across decades. In 1950, the city had roughly 1.85 million residents and stood at the center of American industrial power. Population loss, a shrinking tax base and mounting financial obligations developed over many years. In July 2013, Detroit filed the largest municipal bankruptcy case in U.S. history. [9,10]

Deterioration can be visible long before an institution changes its commitments. Recognition does not execute a response.

Family offices make the same error. The principal reads about debt, polarization, wealth-tax proposals and asset freezes abroad. He nods. He agrees that the world is changing. And then he does nothing, because the threat is gradual, the cost of action is immediate, and the day of reckoning always seems to belong to someone else.

What does the institution select for?

Carl Icahn described a failure in corporate succession as “survival of the unfittest.” His target was a system in which an incumbent favors successors who pose little threat, allowing political survival to displace the ability to create value. What must a person do to advance? That is what the institution selects for. [11]

Apply the same question to a family and a government. When candor costs a promotion and agreement earns one, capable people learn what to conceal. A family can confuse loyalty with competence. A corporation can reward internal diplomacy while customers leave. A governing coalition can become better at retaining office than at administering the systems people depend on. The institution survives while the quality of its decisions deteriorates.

Government gives this problem a distinctive consequence. A failing private institution can do enormous damage. A government can also use its legal powers to demand more resources, restrict alternatives and defer the cost of failure. A family therefore has to examine how competence is renewed, how errors are corrected and whether criticism still reaches the people with authority.

The family office should apply that test internally. Who is willing to hire someone better than themselves? Who brings unwelcome evidence before the loss appears? A leader exploring the frontier must make room for experiments, capable dissent and replacement of a method that no longer works. The test is whether judgment improves as conditions change. Novelty alone proves nothing.

The emotional barrier to acting

The Romanovs lost a dynasty.[12] Families branded as kulaks were dispossessed.[13] Jewish families in Germany lost rights, property and lives. Warning signs did not make escape simple. Recognizing danger could mean abandoning everything familiar; for many, the routes out were blocked.[14]

That is the real cost of foresight. The information is rarely the problem. The problem is what the information asks you to give up.

Moving capital is a transaction. Accepting that the institutions you trust may fail is a confrontation with your own history. The country where you built the business, the house where your children grew up, the relationships that confer standing: each can make a change of position feel like a repudiation of the life you built.

Decide what you are protecting. Keeping every familiar arrangement can consume the freedom those arrangements were meant to serve. Restructuring costs money. Relocation costs comfort. A limited loss today can preserve the right to choose tomorrow. Make that comparison while the family still controls the timing. The bill for acting arrives immediately. The bill for waiting arrives when the family may no longer have a choice.

The asymmetry that should decide this

Every protection has a price: money, attention and obligations of its own. Compare that cost with the consequence of the failure it is meant to withstand. Buy a specific capacity, establish what it depends on, and test it. A low probability can justify preparation when the loss would be severe. The objective is to preserve choices worth more under pressure than they cost to maintain.

Why the window matters

Many protections require time that a crisis will not give you. A foreign account needs onboarding, verification and funding. Residence requires permissions that can change. An

asset freeze can prohibit transfers that were lawful the previous day. Specialist capacity can disappear precisely when demand surges. Even when a new arrangement remains legally possible, it may arrive too late to meet the family’s obligation.

Build the alternative before the restriction arrives. Put the people, documents, funding and permissions in place. Once the danger is obvious, the bank may no longer accept the transfer and the destination may no longer accept the family. Preparation buys time you cannot purchase afterward.

CHAPTER 04

The Families Who Moved Early

History does not repeat itself, but it does keep returning to the same question: when the ground shifted under a wealthy family, what separated the families that endured from the families that did not?

There is no single explanation for endurance. Capital, skill, relationships, timing and luck all matter. But history repeatedly shows the value of having people and operations beyond the immediate reach of one disruption.

Five sons in five cities

In the early nineteenth century, Mayer Amschel Rothschild and his sons built a family banking network spanning Frankfurt, London, Paris, Vienna and Naples. Their information, relationships and businesses extended across several political systems. [15]

Functioning operations in several places give a family more than one institutional base from which to respond. Their value appears when one branch is struck and another can still act. The question is which capabilities remain available across the network.

The useful principle is independence that survives a specific failure. A pin on a map is only the beginning.

The tax that was waiting

There is a darker example, and I include it because it illustrates the most important principle in this book more powerfully than any other.

In December 1931, during the Great Depression, the Weimar government introduced the Reich Flight Tax to discourage capital flight. Emigrants who met its wealth or income thresholds became liable for a levy of twenty-five percent of their taxable assets. The threshold determined liability; the tax was not simply twenty-five percent of the amount above it. [16]

The Nazi regime inherited that machinery, lowered the wealth threshold and used the tax, alongside other restrictions and confiscatory measures, against Jewish people seeking to

leave. A fiscal instrument created under the republic became part of a system of persecution.[16]

For those attempting to escape, departure became entangled with escalating financial restrictions, permissions and danger. Earlier access to a destination and resources abroad could matter profoundly. No financial arrangement guaranteed safety, and the persecution cannot be reduced to a lesson about portfolio construction. It does expose the danger of assuming that a power will always be used by the people, for the purpose and within the limits imagined when it was created.

Power built for one purpose rarely stays confined to it. The machinery of control is often constructed by reasonable people for reasonable reasons, and then inherited by people with very different intentions.

Leaving a country with your skills

In 1685, Louis XIV revoked the Edict of Nantes, withdrawing protections for French Protestants. The Huguenot diaspora carried craftsmen, merchants and other skilled people into neighboring countries and beyond.[17]

The lesson for a family extends beyond movable capital. Skills, relationships and the ability to build again can remain valuable after property is lost. Those capabilities require education and practice long before a border becomes a problem.

Havana, 1959

After the Cuban revolution of 1959, the government rapidly extended state control over land, banks and enterprise. Agrarian reform began in 1959, and major nationalizations followed in 1960, including banks and large industrial and commercial businesses. Wealth concentrated in property and enterprises inside Cuba was exposed to decisions made inside Cuba.[18,19]

An account, business connection or viable destination abroad could give an emigrating family resources with which to begin again. That is the relevant test for a family today: what capability would exist beyond the affected system, and who could actually use it? The existence of an overseas asset alone does not answer either question.

Hong Kong and the art of the early move

The most instructive modern example is Hong Kong, because it shows how sophisticated families behave when they can see a change coming years in advance.

In 1984, while Britain and China were negotiating Hong Kong's future, Jardine Matheson established a Bermuda-incorporated holding company. The group continued doing business in Hong Kong and the region. Its holding-company domicile and its operating locations had become separate decisions.[20]

That distinction matters. A business can remain committed to a market while its owners examine the legal base of the holding structure, the location of capital and the destinations available to family members. Those choices carry different costs and obligations. They deserve separate analysis.

In 2015, Li Ka-shing's Cheung Kong group reorganized under CK Hutchison Holdings, incorporated in the Cayman Islands. Its filed documents establish the structure. Ownership, listing, management and operations can sit in different places. Examine each location and the exposure it creates.[21]

What the examples make visible

These histories show the importance of asking where usable capability would remain if a particular legal or political system became hostile.

The first decision concerns timing. Permissions, relationships and operating knowledge take time to build. Their value can be greatest at the moment they become hardest to acquire.

The second concerns independence. Several jurisdictions can reduce an exposure, but coordinated sanctions or common dependencies can still reach across them. The family must identify which failure its arrangement actually survives.

The third concerns people. A successor who understands the business, has relationships and can operate the arrangement carries more than an inheritance. That person carries the capacity to continue.

Some options will expire unused. Some decisions made early will look unnecessary in retrospect. The standard is whether the choice was proportionate to the evidence and consequences available at the time.

Perfect foresight is unavailable. The capacity to recognize a change, revisit a commitment and act lawfully before choices close is something a family can build.

The Monopoly on Force

Every fortune sits inside an enforcement system. Property rights become practical because institutions will enforce them. The same state that protects a title can compel a transfer or stop the owner from using it.

In Politics as a Vocation, published in 1919, Max Weber described the state through its successful claim to the monopoly of legitimate physical force within a territory. A judgment needs enforcement. A title needs recognition. A bank facing a binding blocking order obeys, whatever the client relationship is worth.[22]

Private wealth buys advice and security. It cannot buy an exemption from sovereign authority. Restraint depends on the law and the institutions willing to enforce it.

The promise and its limits

The Fifth Amendment requires just compensation when government takes private property for public use. It protects against an uncompensated taking. The property remains within reach.[23]

In Kelo v. City of New London, the Supreme Court ruled five to four in 2005 that a comprehensive economic-development plan satisfied the public-use requirement even though property would pass into private hands. The owners' refusal to sell did not defeat the city's power to take. Susette Kelo later settled, and her house was physically moved. She did not retain the right to remain on that land.[24,25,26]

Just compensation generally means market value. The federal constitutional standard generally excludes consequential business losses and legal expenses. Payment for the land can leave the enterprise built around it broken.[23,27]

Taking and freezing

Civil forfeiture reaches property through a different door. The case is brought against the asset. The owner need not be convicted of a crime. Under the general federal rules, the government must prove forfeitability; an owner invoking the innocent-owner defense must

prove that defense. Meanwhile, access to the asset can be lost. The family has a legal case and an operating problem at the same time.[28,29]

Emergency authority can move faster still. The International Emergency Economic Powers Act, enacted in 1977, gives the President broad powers over specified foreign-linked transactions and property involving foreign interests. It requires a declared emergency concerning an unusual and extraordinary threat sourced wholly or substantially abroad. A blocking order can leave title in place while making the asset unusable.[30,31]

The interval before a remedy

Courts are a real defense. Their timetable is a separate exposure. In 2015, Hennepin County sold Geraldine Tyler's condominium for $40,000 to cover roughly $15,000 in taxes, interest and penalties, then kept the $25,000 surplus. In 2023, the Supreme Court unanimously held that she had stated a valid claim under the Takings Clause. Eight years separated the sale from that ruling.[32]

A family has to operate in that interval. Employees need to be paid. Businesses need inventory. Dependents need care. Legal recovery and operating continuity answer different questions. Both require funding.

Recovery across borders can stretch further. In 2012 Argentina expropriated 51 percent of YPF from Repsol, which later settled separately. Minority shareholders won a $16.1 billion U.S. judgment over tender-offer obligations in 2023. The Second Circuit reversed it in March 2026. The shareholders were seeking Supreme Court review as this edition closed. Fourteen years after the taking, the legal contest continued. A major judgment had not delivered finality.[33,34,35]

When policy removes control

On November 3, 2020, the Shanghai Stock Exchange suspended Ant Group's listing, two days before its scheduled debut. Its concurrent Hong Kong listing stopped too. Years of preparation and the scale of the transaction did not give investors the final decision. The regulator had it.[36,37]

Hong Kong's national security law was gazetted on June 30, 2020 and took effect at 11 p.m. that day. A financial center's legal environment can change faster than a family can relocate its affairs.[38]

In July 2023 Russia placed Danone's local dairy business and Carlsberg's Baltika business under temporary state management. Both companies lost control. Both exited those businesses in 2024. The label was temporary. The loss of control was immediate.[39,40]

A decree, freeze or change in management can leave the owner on the register while removing the power to decide. The intervention arrives through law.

Three hard truths

Legal complexity is not protection. A trust in one jurisdiction, a company in a second and an account in a third are still paper. Paper is respected by those who choose, or are made, to respect it.

A legitimate purpose is not a permanent defense. Activity that was lawful when it began can be judged under rules written afterward: a structure becomes abusive, a payment becomes suspicious, a commercial relationship becomes sanctions exposure.

International law protects those who can enforce it. Recognition, treaties and immunity are real, and they rest on power. When a stronger party decides they no longer apply, the weaker party discovers what its protections were made of.

What makes the law hold

A family needs a state strong enough to defend its rights and constrained enough to respect them.

Law depends on a chain of capability. Courts must decide impartially. Civil authorities must make lawful judgments effective. People and institutions must accept the rules even when they lose. National defense protects the territory and political independence in which that legal order operates. Break the chain and the same contract can remain valid while becoming unusable.

The distinction matters. The U.S. federal courts explicitly acknowledge that judges depend on the executive branch to enforce decisions.[41] The Constitution separates legislative, executive and judicial authority, gives Congress responsibility for providing for defense, and places command of the armed forces in the president. Military power and independent courts perform different jobs.[42]

Switzerland makes the connection explicit. Its Constitution protects property and economic freedom, limits state action by law, and assigns the armed forces defense of the country and its population.[43] Its neutrality is permanent and armed.[44] The law and the capacity to defend it belong in the same assessment.

A military budget is not the capability. Assess the ability and political will to deter invasion and defend the country, its people and its independence. Readiness, logistics, competent command and credible partners determine what the money buys. AI, cyberattacks and satellite dependencies extend the test into communications, navigation and essential services. Defense that never needs to be used may be deterrence working. Force without legal restraint can become the threat it was meant to prevent. [44]

For the family, the question is concrete: whose court, whose enforcement, whose protection —and will each still function when the answer is politically inconvenient? Assess the state's capacity to protect you and the limits on its power over you.

Put three questions beside every major holding. Under whose law does it live? Who can interrupt control? What remains usable while the family challenges that interruption? The answers determine how much of the fortune the family can command.

CHAPTER 06

War, Inflation and Taxation

If you study how great fortunes have been lost across history, a pattern appears. The specific villains change. The mechanisms do not.

Governments under pressure reach for private wealth in three ways: war, inflation and taxation. I call it the sovereign wealth destruction triad. Sometimes the three arrive one at a time. In the worst cases they arrive together, each making the others more likely.

The pattern

Fiscal pressure gives governments difficult choices.

A state can accumulate commitments faster than the revenues available to fund them. War, benefit promises, bailouts and political bargains can all contribute. Borrowing postpones some choices while creating interest obligations of its own. Growth can improve the arithmetic. Spending cuts, tax changes, asset sales, restructuring and inflation can distribute its costs in very different ways.

The family's concern is where those costs ultimately land. Private wealth is visible to governments seeking revenue. Nominal claims are exposed when the currency loses purchasing power. Restrictions can make it harder to change position after a policy is announced.

Weimar Germany shows the extreme. By mid-November 1923, a U.S. dollar stood at 4.2 trillion marks. Savings held in nominal currency claims had been devastated. Venezuela provides a more recent example of economic mismanagement, collapsing production and large deficits financed by money creation contributing to hyperinflation. These episodes differ in their causes and scale. Both make the exposure of nominal wealth unmistakable.[45,46]

A family needs to know which assets, obligations and operating costs are exposed to inflation, taxation and restrictions, and what would remain workable if several of those pressures arrived together.

Inflation is a tax no one votes for

Inflation deserves particular attention because it is the most politically convenient form of confiscation ever invented.

A proposed wealth tax is visible. Its rate, threshold and valuation rules can be debated. Inflation can reduce purchasing power without a separate tax bill arriving. Unexpected inflation generally harms holders of fixed nominal claims and benefits borrowers whose liabilities do not rise with prices. The effect is uneven: indexation, floating rates, refinancing and the source of the inflation all matter.

For the family, the practical question is what its nominal wealth will buy and which obligations will grow faster. A currency is useful for payments and contracts. Holding it also exposes the family to the monetary and fiscal institutions behind it. The relevant protection begins with understanding that exposure, not assuming a stable number means stable purchasing power.

Where America stands

The United States has deep capital markets, substantial productive capacity and institutions that continue to attract capital. Those strengths matter. They give it choices that countries in the historical examples did not have.

The fiscal arithmetic still deserves attention. Federal debt stood above forty trillion dollars by the end of fiscal 2026. CBO's November 2026 review records a deficit of approximately two trillion dollars for that year, equal to 6.2 percent of the economy. Annual interest costs exceeded a trillion dollars. These are current commitments that shape the room available for future decisions.[47,48]

Those deficits occurred under a Republican administration. A conservative label does not turn spending beyond revenue into fiscal discipline. My concern is the pressure the obligations create, the choices politicians make in response and the exposure a family retains if it assumes today's tax and monetary arrangements will hold indefinitely.

The new constituency

The final ingredient is political permission, and it is growing.

Annual wealth taxes and taxes involving unrealized gains have appeared in formal proposals. They require separate analysis. A wealth tax charges the stock of covered assets; a tax on unrealized gains concerns appreciation before a sale. Asset values can include gains never realized in cash, but a wealth tax can also be due when no gain occurred that year. Both can create a payment obligation without a corresponding sale producing cash. The valuation date, treatment of private companies, liquidity provisions and reach across jurisdictions matter as much as the headline rate.[49,50]

California's Proposition 40 proposed a one-time tax of up to five percent on covered wealth of people with fortunes above one billion dollars, using California residence on January 1, 2026. Real estate and certain retirement assets were generally excluded. The Associated Press called the measure defeated on November 9. Its failure matters. So does its design: the relevant residence date preceded the November vote. Waiting until a proposal passes can leave the family responding to a date that has already gone by. [51,52]

At the federal level, Elizabeth Warren's March 2026 Ultra-Millionaire Tax Act would begin at a much lower threshold: an annual two percent on net assets above fifty million dollars up to one billion, and generally three percent above one billion. A separate Sanders–Khanna proposal sought an annual five-percent tax on billionaire wealth. These were proposals, not enacted taxes. Moving from one U.S. state to another would not itself remove liability under a federal wealth tax. The jurisdiction of the taxing authority changes the options. [49,53]

My objection goes beyond the amount collected. Annual valuation brings recurring judgments about private companies, trusts and ownership. More revenue cannot by itself repair poor spending decisions or weak institutions. Judge government on what it delivers, what it costs and the power it requires to collect.

There is a subtlety here that most families miss. A wealth tax may be proposed for only a tiny number of people. But once the machinery exists, the valuation rules, the reporting systems and the enforcement powers, later governments can lower the threshold or broaden the base. Judge a proposal by the power it creates, not by the first group it targets.

When the street meets the budget

In the autumn of 2026, France showed how quickly the ingredients combine. Protests over school conditions widened into a national movement over living costs and public services. [54] The Interior Ministry counted 550,000 participants and 2,628 arrests on October 17. [54] Most demonstrators were peaceful; looting and arson hit several cities, and local curfews followed. [54] France's ten-year reference yield rose above 5% in October. [55] On November 4, the National Assembly rejected the 2027 budget at first reading, months before a presidential election. [55]

France has taxed wealth directly before. [56] Fiscal strain, public anger and an approaching election form the conditions under which governments look for revenue that is visible, concentrated and politically cheap to take. A family with property, residence or operating assets in a country showing those three conditions should treat them as a tripwire, not as news.

Prosperity has to be produced

An enterprise begins when someone sees a useful possibility and accepts the possibility of being wrong. Capital is committed before the customer is certain. People are hired, equipment is purchased and years of effort can disappear into failure. When the judgment is right, the result can serve customers, employ people, support suppliers and communities, generate taxes and finance the next attempt. I want a society that makes this cycle easier to begin and worth repeating. That freedom is part of what I value most about America.

Government does not create prosperity by decree. It can secure, or destroy, the conditions for people to create it. I want a government that secures the borders, maintains a strong military, keeps courts honest and institutions credible, protects property and contracts, and then leaves people free to build. Those are real services, and they are hard to do well. The difficulty is that government rarely stops there. Milton and Rose Friedman observed that nothing is so permanent as a temporary government program.[57] Under either party, power acquired for one emergency tends to outlast it. The American advantage has never been the size of its state. It has been the number of people free to try, fail and try again.

A private-company valuation can reflect years of expected earnings. It does not place those earnings in the owner's bank account today. A recurring assessment may require distributions, borrowing or a sale when the business needs capital. The question is what the payment requires and what activity is displaced. A revenue estimate that ignores those decisions gives the family an incomplete picture.[58]

European wealth taxes reveal different choices. Norway taxes net wealth including shares and business capital, subject to valuation rules; France replaced its broader wealth tax with a real-estate wealth tax in 2018. The OECD's 2018 review found a limited case for adding a net wealth tax where broad capital-income and well-designed inheritance and gift taxes already existed, and a stronger case where they did not. Examine the full system: what is valued, when payment is due, what enterprise must sell to pay it, and how readily the rules can change.[58,59,56]

Thomas Sowell, the economist I return to more than any other, put the problem in two sentences: "The first lesson of economics is scarcity: There is never enough of anything to fully satisfy all those who want it. The first lesson of politics is to disregard the first lesson of economics."[60]

The question is never only what is fair. It is who decides, and who bears the cost of being wrong. A founder who chooses to share ownership with employees is exercising freedom. Voluntary employee ownership exercises property rights. A compulsory transfer overrides

them. The ownership label tells us less than the answers to three questions: who commits the capital, who absorbs a loss, and who can replace the people making bad decisions?

Good intentions still have to survive a working day. In 1825, Robert Owen and William Maclure bought New Harmony, Indiana, to establish a model community. Their fortunes supported an experiment intended to sustain itself. In 1827, Owen dissolved his community.[61] He could purchase a town. He could not purchase a durable economic order. A free society should permit voluntary experiments. It must also permit people to end them.

Political control can separate the authority to direct capital from the obligation to bear its losses. Sponsors claim credit while spreading the financial consequences among taxpayers, employees and owners. Another appropriation can keep a failed policy alive. That is the central danger I see in socialism and its communist cousin: economic decisions migrate toward political power, while the people paying have less ability to refuse. A bureaucracy acquires a budget, a mandate and a constituency for its own survival. A crisis gives it an argument for expanding all three. The rules that constrain political power deserve as much scrutiny as the people exercising it.[62]

Read the ownership program. The Democratic Socialists of America's 2026 program calls for public ownership of the largest corporations and essential industries, alongside aggressive wealth taxes.[63] That is a claim to direct capital. I oppose it. A family should identify which of its businesses and assets would fall under political control, and what credible limits would remain on those exercising it.

I oppose the socialist ambition to move ever more economic judgment from owners and customers to the state. Concentrating capital under political control also concentrates the power to decide who gets to build. Corporate privilege deserves the same objection when protected incumbents use government to obstruct challengers. My commitment is to enterprise exposed to competition and consequences. The family should examine where that freedom remains credible—and preserve its own capacity to create value there.

The right to leave makes a system answerable. Customers can change suppliers. Capital can back a challenger. Owners can replace management. Equal rights do not produce identical abilities, effort or judgment. Competition lets people test what they can contribute. When political authority blocks entry, movement or dissent, a failed policy can survive by compelling participation. Ask of a government, a family company and the family office itself: who can refuse, who can replace the decision-maker and who can stop funding failure?

CHAPTER 07

The Plumbing

Most wealthy people have never looked closely at the plumbing of the financial system. They do not need to, as long as it works. This chapter is about what is actually behind the account statement, and it may be the most uncomfortable chapter in the book.

Your deposit is a loan

Begin with the most basic fact, the one almost everyone gets wrong.

An ordinary deposit places the bank in your debt. It is not a sealed packet of cash held separately in your name. The bank records a liability to you and uses its balance sheet to hold reserves, securities, loans and other assets. Your rights arise from the account contract and applicable law, with deposit insurance where the account qualifies.

That is why the legal category matters. An insured deposit, an uninsured deposit and a security held in custody do not carry the same protection. When a bank fails, insured depositors have statutory protection up to the applicable limits. Uninsured deposits depend on the resolution and recoveries, unless additional protection is authorized. Repayment is governed by legal rights and the resolution process, not simply by a banker’s willingness to honor a promise.

How much does the bank actually keep?

There is no single percentage that tells you whether a bank can meet your payment when you need it.

On March 26, 2020, the Federal Reserve reduced its reserve requirement ratios to zero. That eliminated a specific regulatory requirement to hold reserves against reservable liabilities. It did not eliminate the reserves banks actually hold, their capital obligations, their liquidity management or every other rule that constrains lending.[64]

Reserve requirements, liquidity and capital answer different questions. Reserves are immediately available settlement assets such as balances at the central bank and vault cash. Liquidity concerns the resources a bank can use to meet payments, including assets it can sell or pledge and funding it can obtain. Capital absorbs losses. A bank can have substantial

capital and still run short of immediately available liquidity. A bank can have cash today and still carry losses that threaten its solvency.

When a bank makes a loan, it generally creates two entries: an asset representing the borrower's debt and a deposit the borrower can spend. It has expanded its balance sheet. Yet creating a deposit and settling a payment are different operations. If the borrower pays someone at another bank, settlement ordinarily requires central-bank money or access to a bank that can provide it. The lending bank must manage that outflow through reserves, funding, asset sales or borrowing. Capital rules, credit risk, profitability and monetary policy constrain the expansion. A bank can create a deposit. It cannot create unlimited willingness to hold that deposit.[65]

The fragility becomes sharper when both sides of the balance sheet move against it. Rising rates can increase funding costs as depositors demand more interest or leave, while reducing the market value of long fixed-rate assets. An asset expected to repay in full over time can still be a poor source of cash today. A withdrawal forces the bank to confront that difference on the depositor's timetable. Confidence determines how much time remains. Credit creation finances enterprise; maturity transformation makes that financing useful. The same machinery creates a dependence on liquidity and continued cooperation that the account statement conceals.[66]

In the United States, the standard FDIC insurance limit is $250,000 per depositor, per insured bank, for each account ownership category. Several account labels at the same bank do not automatically create several separate limits. Families need to establish the coverage their actual ownership arrangements receive. Insurance protects eligible deposits against bank failure. It does not promise uninterrupted access through every legal freeze, payment outage or operational interruption.[67]

How fast it can happen

Silicon Valley Bank illustrates the speed at which a concentrated funding base can unravel. Depositors withdrew more than forty billion dollars on March 9, 2023. Management expected a further one hundred billion dollars of outflows the next day. California's regulator closed the bank on March 10.[68]

The Federal Reserve's review identified management failures, concentrated uninsured deposits, interest-rate exposure and weaknesses in liquidity planning and supervision. The

event was more specific than a story about a zero reserve requirement. A vulnerable balance sheet met a rapidly coordinated demand for cash.[68]

Authorities then invoked the systemic risk exception and protected all depositors, including uninsured balances, with access beginning Monday, March 13. That extraordinary protection was distinct from ordinary deposit insurance. The lesson is to understand which rights exist in advance and which outcomes would require a new decision by authorities. A family should build its operating capacity around the former and treat the latter as uncertain.[69]

Cyprus

Cyprus shows how a rescue can stabilize a financial system while imposing losses on uninsured depositors.

The March 2013 programme included international financial assistance of up to ten billion euros. Bank of Cyprus and Cyprus Popular Bank underwent resolution. At Bank of Cyprus, the final bail-in converted 47.5 percent of uninsured deposits into equity; that percentage was finalized in July, after an initial conversion and further funds held pending the calculation. At Cyprus Popular Bank, uninsured deposits remained in the legacy entity being wound down, while insured deposits moved to Bank of Cyprus.[70,71]

For a business or family relying on those balances, the distinction between an intact banking system and an intact deposit was consequential. A deposit can become equity, a claim in a resolution, or money that remains subject to withdrawal and transfer restrictions. The original account statement does not tell you which outcome a crisis will produce.

A bail-in assigns losses or recapitalization costs to specified shareholders and creditors. Its reach depends on the law, the institution and the liability. In the European Union, covered deposits are excluded from bail-in under the bank resolution framework. The family must identify which part of its position is protected and which part can absorb losses. Calling everything “cash” conceals the distinction.[72]

Custody is a different legal relationship

The dependence on an institution remains when a family holds securities through a broker, but the legal relationship changes.

A brokerage statement shows what the family owns. It conceals the institutions required to deliver it. DTC, part of DTCC, uses Cede & Co. as its nominee; investors appear in their

intermediaries' records. Article 8 property rights and SEC customer-protection rules matter. Lending, margin and collateral change the exposure. Direct registration can put an eligible holding in the investor's name, while transfer agents, trading and settlement still matter. Ask who recognizes the family's rights, who can interrupt a transfer and which route survives an intermediary's failure. Map that chain.[73,74,75,76,77,78,79]

Customer protections and SIPC processes can help return missing customer property when a member brokerage fails. They do not insure market losses. Nor do they make every asset immediately transferable during an outage, a legal restriction or a complicated reconciliation. The family should understand both the legal protection and the route by which it would regain usable control.[80]

Treasuries change the issuer; they do not abolish dependence. A Treasury bond is an obligation of the United States government, backed by its full faith and credit. Holding it through a broker adds custody and settlement arrangements. Selling before maturity adds market-price risk. Receiving every dollar promised still leaves the question of what those dollars will buy. The government's payment obligation, the holding system and purchasing power are separate exposures.[81]

Money market funds require another distinction. A money market fund is an investment; a money market deposit account at an insured bank is a deposit. In September 2008, the Reserve Primary Fund's exposure to Lehman Brothers contributed to its net asset value falling below one dollar and its inability to meet redemptions. Investors eventually recovered most of their money, but recovery over time was different from having cash available when requested.[82]

FTX illustrates a separate failure: misuse of customer assets. The cryptocurrency exchange entered bankruptcy in November 2022. The subsequent criminal case established that its founder had diverted billions of dollars of customer funds. A custody claim means little if the records and behavior behind it are fraudulent. Reputation and prominent investors did not substitute for control of the assets.[83]

The hidden dependency

These events have different causes and legal outcomes. Their common lesson is that a family must understand what sits between an account balance and the ability to use it. Counterparty

credit, custody integrity, liquidity, law and payment infrastructure each require their own question.

The office should be able to explain where its critical balances sit, which protections attach to them, what can interrupt access and what would remain usable if a major provider became unavailable. Without that explanation, an institution's name is carrying more weight than the family's analysis.

Liquidity that works

Liquidity has to meet a deadline. Assets that can be sold, money that can be reached and funds that can pay next Tuesday's obligations are different things. A large balance provides little comfort when the main bank is closed and the payment route has never been tested.

The office's immediate task is to distinguish the value it owns from the resources it can use on a deadline. That distinction must reach the operating companies, household obligations, capital commitments and people who can authorize payment. Until it does, a large liquidity figure can conceal a small capacity to act.

A balance sheet has no timetable

Consider a hypothetical family with $200 million in brokerage investments, $100 million in bank deposits, $50 million in hedge funds, $75 million in private equity and $25 million of insurance-policy cash value. The balance sheet totals $450 million. That number does not tell the office what can pay a bill tomorrow.

Each position has a different clock. Securities must be sold or financed through a working market and settlement route. Bank balances depend on access to the institution and payment system. Hedge funds can impose lock-ups, notice periods or other redemption restrictions. Private equity can retain capital for years. A policy governs whether, when and on what terms cash value can be surrendered or borrowed against. The family must read those terms before counting the value as available money.[84,85]

Then look underneath the names. The fund administrator, insurer and private company may use the same bank. Several custodians may rely on the same settlement infrastructure. Several jurisdictions may implement the same restriction. Five assets can conceal one point of failure. The office's job is to identify the common dependency and establish what can still meet the family's obligations when it fails.

Gold still needs a route

Gold changes the dependency. Properly held physical metal removes an issuer's promise to repay. The family still has to establish what it owns, who holds it and how it becomes something useful. An unallocated bullion balance is a claim against an institution. Allocated custody identifies particular bars. Personal possession transfers the burden of security and access to the family. Those are three different arrangements wearing the same asset name.[86]

Then follow the metal beyond the vault. Who releases it? Who accepts its authenticity and fineness? Can it move lawfully to a willing buyer? In which currency will that buyer pay, through which institution, and in time to meet which obligation? Gold can survive the failure that disables a bank while its conversion proceeds still depend on that bank. The reserve has to be judged through the entire transaction.[87]

A bar can preserve value over years and be awkward purchasing power on Monday morning. Its role in the family's long reserve and its role in the first seventy-two hours deserve separate decisions. The word physical does not answer either one.

Technology can change a reserve's scarcity. Laboratory-grown diamonds share the essential chemistry of natural stones and have pressured that market. Gold requires nuclear transmutation. Marathon Fusion's 2025 research modeled mercury-to-gold production with fusion neutrons; in October 2026 the company announced an experimental demonstration. Commercial supply still depends on engineering, radioactive by-products, regulation and delivered cost. The handbook examines those assumptions. The immediate question is control: who releases the metal, who buys it and how the proceeds reach the family.[88,89,90,91,92,93]

Who is on the other side?

What you think you own	What you actually hold	Who has to cooperate
Cash in a bank	A claim on the bank. FDIC: $250,000 per depositor, insured bank and ownership category.[67]	Bank; payment system; FDIC after an insured failure.
Stocks at a broker	Usually beneficial ownership through security entitlements, with customer-property protections.[73,75]	Broker; custodian; depository; issuer and settlement systems.
Treasury bonds	U.S. government debt, held directly or through an intermediary.[81]	Treasury; holding platform; payment and settlement systems.
Money market fund	Shares in a fund holding other claims. Sponsor support is not guaranteed.[94]	Fund manager; underlying issuers; custodian and redemption channels.
Gold in a vault	Title to allocated bars, or an unallocated claim on a provider.[86]	Vault operator; ownership records; release arrangements and local law.
Bitcoin on an exchange	Rights under the custody contract and applicable insolvency law.[95]	Exchange or custodian; network; withdrawal and conversion channels.
Bitcoin in self-custody	Control through private keys. Recovery and succession rest with the family.[96]	Your people; key custody; devices; a functioning network.
Private fund interest	Equity or partnership rights under the fund documents.[97]	General partner or manager; administrator; fund banks and underlying assets.

Almost everything you own depends on a claim, a custodian or a system. Ask who can interrupt access, and what remains usable if they cannot perform or are told not to.

CHAPTER 08

Geopolitics Comes Home

Geopolitics reaches a family through specific channels: trade rules, sanctions, payment systems, technology access, energy, transport and the treatment of people across borders. Sovereign risk concerns what governments can do to the rights and capabilities the family relies on. The subjects overlap, but they are not interchangeable.

Cross-border mobility made it easier for families to live in one country, bank in another, hold assets in a third and educate their children in a fourth. Those arrangements still carry value. They also create several points at which geopolitical decisions can enter the family's operating system.

The family needs to understand the exposure at each connection. A foreign location can provide an alternative while adding reporting duties, counterparties and rules that were absent at home. The benefit lies in the specific independence it creates.

When access can disappear overnight

After Russia's invasion of Ukraine in February 2022, Western governments immobilized a vast pool of Russian sovereign assets. The multinational REPO task force later estimated the assets held in its members' jurisdictions at approximately 280 billion dollars. Reserves held abroad had become inaccessible through coordinated legal measures.[98]

Designated individuals and companies also faced asset freezes. Switzerland adopted the European Union's sanctions packages on February 28, 2022. Its government maintained that those measures were compatible with Swiss neutrality. The relevant lesson for a depositor was clear: political neutrality did not place a financial relationship outside sanctions law.[99,100]

A freeze generally restricts dealing with property; it does not by itself transfer ownership. Seizure and forfeiture involve other legal mechanisms. The distinctions matter, particularly when evaluating what rights remain and how a remedy could be pursued.

Ownership can remain intact while practical access disappears. A family must understand the laws that reach its assets, the institutions that implement restrictions and the paths still available within the law.

Neutrality and access

The lesson that many families have not yet absorbed is that neutrality is becoming harder to find.

The world is fragmenting into competing blocs, with competing payment systems, competing technology standards and competing rules about who may hold what, where. Supply chains are being pulled back toward home countries and trusted allies. Critical minerals, semiconductors and energy have become instruments of national power. A family that operates across borders, as most significant families do, increasingly finds itself exposed to the decisions of governments on more than one side of these divides.

You do not have to be in the war to be in its blast radius. An asset in the wrong country. A bank with the wrong correspondent. A business partner on a sanctions list. A supply chain running through the wrong port. A family can have no role in the dispute and still sit directly in the path of the decision.

Resources attract attention

There is an older lesson in geopolitics that wealthy families tend to forget: valuable things attract powerful attention.

Venezuela's state interventions demonstrate the exposure of assets tied to territory and political authority. An international tribunal recorded the taking of ConocoPhillips' interests in major oil projects on June 26, 2007. The investors pursued compensation through proceedings that extended for years. A claim for compensation and the continued operation of the asset were separate questions. [101]

A family that owns a port, mine, utility, water right or strategically important company should examine the state's powers over that asset. The exposure is old. Its form changes with the government, the emergency and the asset's importance. Legal structure can improve rights and remedies without relocating the physical asset or removing political power over its operation.

Geography is a decision

The deepest lesson of geopolitics for a family is that location is not neutral. Where a family lives, where its structures are formed, where its assets are held and where its office operates are four separate decisions with four separate sets of exposures. Most families make them by accident, one at a time, over decades, without ever considering them together.

Consider those locations together. If the country where the family lives changed an important rule this year, which people, functions and assets would remain able to operate? The answer needs to account for legal reach as well as physical distance.

A different country can preserve the same dependence

A family can move its assets and leave its exposure almost where it was. The accounts acquire different addresses. The forces that can interrupt them remain connected.

Consider a hypothetical family with a U.S. principal, a European residence, accounts in several financial centers and investments held through foreign entities. It sounds international. Now examine the principal's legal obligations, the banks' correspondent relationships, the custodians behind the account statements and the people authorized to act. The family may discover that a large part of its apparent diversification still converges on the same financial infrastructure, institutions or legal reach.

For a U.S. citizen, residence abroad does not end worldwide income-tax obligations. Foreign-account and asset reporting can continue. U.S. persons remain subject to applicable U.S. sanctions wherever they live. A second passport or a foreign entity does not erase those connections.[102,103]

Cross-border payments pass through correspondent banks. A foreign institution may depend on U.S. clearing, U.S. operations or business involving U.S. persons. Those connections carry legal consequences. Sanctions programs and a bank's own restrictions can interrupt service. A foreign flag does not disclose which rules govern the transaction.[104,105]

Several Western jurisdictions can diversify local risk and still coordinate a restriction. Count the differences and the common exposure. A less aligned jurisdiction may offer weaker protection for the family's own rights. Distance alone settles nothing.

Independence needs a subject. Independent of which bank, currency, controller or government action? A second institution can survive an isolated failure and still obey the same order. Define the protection before paying for it.

Give the second country a job. Which people can work there? Which assets can fund the family from there? Which decisions can still be executed if the first jurisdiction closes a route? Establish those lawful alternatives before the restriction forces the question.

Measure geopolitical diversification by how independently the relevant governments can decide, and how much of the same payment, energy and security system your arrangements still share. Three countries can leave the family inside one political alignment. Distance on a map does not settle the question.

The race for intelligence

The contest that may decide this century is over intelligence itself. The power to discover, design, persuade, defend and attack is becoming a strategic asset.

In this book, artificial general intelligence, or AGI, means a system capable of a broad range of cognitive work at human level. Artificial superintelligence, or ASI, means a system that exceeds the best human performance across most cognitive domains. Capability and autonomy are different questions: what a system can do does not tell us how much authority it has been given.[106]

The decisive possibility is a system that accelerates the design of its successor. In 1965, the mathematician I. J. Good described an "intelligence explosion": a sufficiently capable machine could improve machine design, producing a feedback loop that outruns its human creators. His famous conclusion about humanity's last invention came with a condition: people would still need to control it.[107] AGI does not guarantee that loop. The possibility is consequential enough to prepare for before anyone can promise a date.

Three outcomes deserve serious preparation. In the first, one actor converts an early lead into a compounding advantage in cyber operations, science, weapons, energy and industry. The same capability could discover vulnerabilities, coordinate attacks, strengthen defenses and compress the time available for a response. The strategic question becomes who can restrain that actor, and on what terms the rest of the world gets access.

In the second, rival powers possess comparable capabilities and constrain one another. The analogy is nuclear deterrence with an extraordinary difference: this capability also helps run the economy. Trade, capital, technology and the family's institutions can become instruments in the rivalry.

In the third, advantage diffuses. Open models, competing laboratories and independent research narrow the gap. Intelligence spreads faster than any one actor can monopolize it. Power, chips, factories, machines and the ability to execute then constrain how much control an intelligence lead can buy. Each outcome demands a different examination of the family's dependencies.

The United States and China are the principal poles of today's frontier contest.[108] A family should also examine the companies and infrastructure beneath the flags. A laboratory controlling a leading model, immense compute and the systems built around it could acquire strategic power far beyond an ordinary software supplier. Gulf investment in AI

infrastructure makes capital, energy and location part of the contest.[109] A country can also weaken its position through its own choices. Watch the ability to build power, attract talent, finance experiments and admit challengers. A nation can regulate its advantage away.

The winner may not be a country. And if effective human control is lost, even the question of who owns the system stops being enough. This book begins with government's power over private wealth. Superintelligence raises the possibility of concentrated power with sovereign consequences outside government itself.

Consider the attack that does not steal. The financial industry developed Sheltered Harbor to preserve critical account data outside ordinary production systems.[110] Independent recovery is valuable. But an attacker can aim to corrupt records quietly: which balance is true, which payment occurred, which recovery point predates the compromise? Restoring a system does not establish that its contents are trustworthy. Settlement can stop while institutions reconcile the truth.[111] Interrupt payroll, card payments and government disbursements at the same time, and a technical crisis can become a crisis of public confidence. The money may still be owed. The machinery that proves and delivers it may no longer function.

Then consider the economy. Energy and labor are two prices that shape production and the distribution of income. If AI and robotics sharply reduce the cost of work, and energy becomes much cheaper, wages could lose part of their role in distributing purchasing power. Owners of productive systems could capture a greater share of the returns. My concern is the political response: pressure to tax capital, compute and wealth could arrive from both left and right. Abundance in capability does not guarantee agreement over who receives the gains.

Intelligence also changes what remains scarce. Power connections, reliable compute, useful land, physical capacity, trusted relationships and legitimate authority may become more important. The energy and infrastructure constraints are real.[112] Scarcity alone does not guarantee a return. Ask whether the asset meets durable demand, who controls access, and what government can change. A family can own a chokepoint and still discover that the state decides who goes first.

A family cannot predict the winner. It can refuse to make every essential function depend on one. Own intelligence that runs on family-controlled hardware. Keep independent, dated evidence of ownership. Examine productive assets and the rights behind them. Test exposure across geopolitical blocs as well as national borders. Decide triggers before the emergency. A world moving at machine speed may give you weeks where history once gave months.

CHAPTER 09

The Political Response to Intelligence

If you asked me to name the single largest sovereign risk facing wealthy families over the next fifteen years, I would not name war, a banking crisis or a currency collapse, though all of those are real.

I would name the political response to artificial intelligence.

The technology is the easy part

I spend much of my working life on AI. I began studying it seriously at fifty-nine, without a technical background, and have since put more than two thousand hours into building with it. I lead masterclasses for family offices on how to use it. I believe it is the most consequential technology of our lifetimes, and I believe most people still underestimate it.

Treat AI as a geopolitical asset. Ask who controls the models, computing infrastructure and access rules your family relies on. That is why I worry about the politics.

AI can already perform substantial portions of research, analysis, writing, coding and design. It can accelerate decisions when the task, information and supervision suit its capabilities. How those gains translate into employment and ownership returns will depend on adoption, institutions, competition and policy. My concern is the political response if the gains concentrate faster than people can adapt.

On October 26, 2026, Microsoft announced a voluntary exit offer. Reuters reported that approximately sixty thousand employees were eligible, roughly a quarter of its workforce. I see a leading technology company reconsidering the workforce it needs while committing heavily to AI. A family office should be asking the same question about its own operating model. [113,114]

Who gets blamed

Think about what that means politically.

Displacement creates grievance. Grievance seeks an explanation. And the explanation politicians tend to reach for is the one with the fewest voters attached to it.

If AI concentrates visible gains among owners of systems, infrastructure and capital, those owners become an obvious political target. A family does not have to cause the displacement to be presented as its beneficiary. It only has to be wealthy, visible and easy to place inside the story.

Wealth taxes, taxes involving unrealized gains and new reporting requirements already exist as policy proposals. They arise from several political arguments, not AI alone. My judgment is that rapid disruption could strengthen the coalition behind them. A prepared family should distinguish the text already proposed from the future political pressure it expects. [49,50]

Technology changes the reach of the state

There is a second dimension to this that families rarely consider.

State power has always depended in part on administrative capacity: the ability to identify assets, connect records and enforce a decision. Complex structures can obscure the full picture, including from the families who own them.

Digital reporting and automated analysis can make those connections faster. The same tools can improve lawful enforcement, reduce administrative error or extend intrusive surveillance, depending on their design and use. The family should assume that a structure's legal purpose, ownership and reporting can be examined. Complexity without a defensible purpose becomes a liability.

Digital money makes the powers inside a payment system more consequential. Its law and technical design determine who can limit transfers or attach conditions. Read those powers. Establish who can activate them, against whom, and with what remedy. [115]

Own the gains. Prepare for the response.

The families that thrive in the coming decade will be those that own the productivity gains, build AI into their own offices and become far more capable than they are today. I have written two books and built an entire masterclass around exactly that.

But a family that owns the gains must also prepare for the political response to them. Those are not contradictory strategies. They are the same strategy, seen from two sides.

The exposure is already concrete in AI. On June 12, 2026, U.S. export controls required Anthropic to restrict foreign-national access to Claude Fable 5 and Mythos 5. Unable to verify nationality reliably in real time, Anthropic initially suspended both models for all users. Some U.S. organizations regained Mythos access after approval on June 26; the broader restrictions were lifted June 30, and Fable returned broadly on July 1. A legal measure aimed at a category of users had disrupted access more widely. The family's critical records, reasoning and essential operating capability should remain recoverable when an external service becomes unavailable. [116]

CHAPTER 10

Useful Villains

Before a government takes something, it usually tells a story about why it should.

A family that understands how blame becomes policy can recognize danger while it still has room to act. Social media accelerates that process. Artificial intelligence gives almost anyone the ability to manufacture persuasive content at scale. The public story about a family can become an exposure in its own right.

Blame becomes policy

The sequence is old, and it is remarkably consistent.

A society experiences real pain: inflation, unaffordable housing, stagnant wages, job losses, a sense that the system is rigged. The pain is genuine, and it deserves a serious answer. But serious answers are slow and difficult. Blame is fast and easy.

So a villain is found. The villain must be visible, unpopular and few in number, because a policy aimed at a small group costs few votes. Historically the villain has been the landlord, the banker, the speculator, the merchant, the foreigner. Today it is increasingly the billionaire, and by extension anyone who looks like one.

Once the villain is established, the policy follows naturally. If the rich caused the problem, the rich should pay to fix it. Wealth taxes, confiscatory levies, special enforcement and restrictions on movement all become easier to justify. And once enacted against the villain, as we have seen, the machinery is available for whatever comes next.

The next company must be allowed to exist

A society that makes it difficult to build will eventually fight over what remains. I am pro-capitalism because I want people free to own, invent, compete and keep the rewards of serving others well. Customers need the freedom to leave. New competitors need the freedom to enter. Failure must have consequences. Protect those conditions and established wealth has to keep earning its place.

Innovation is how an economy discovers better answers. An entrepreneur commits capital before the customer is certain. The experiment may fail. A useful discovery can lower a cost, improve a treatment, move goods faster or create a product people did not know they needed. Thousands of independent decisions test possibilities no committee could reliably select in advance. The freedom to attempt, lose, learn and try again is productive capacity.

Large companies possess formidable advantages: capital, expertise, distribution and the ability to bring an invention to scale. Their danger is institutional self-protection. When a proposed improvement threatens an existing business or its hierarchy, the person suggesting it becomes inconvenient. Protecting yesterday's earnings begins to outrank creating tomorrow's value. A company can become excellent at preserving the organization while losing touch with the customer.

Government can make that failure harder to correct. Regulatory capture occurs when a regulator serves the industry it oversees at the expense of its public purpose. An incumbent can find it cheaper to influence the rules than to improve its product. George Stigler identified control over entry by new rivals as a benefit industries seek from the state. [117]

The mechanism is concrete. A license limits entry. A grandfather clause exempts existing firms while new competitors face expensive requirements. A fixed compliance cost consumes a greater share of a small company's resources. A rule prescribing an old method blocks a new way to achieve the result. These restrictions can protect an established business from the pressure that would otherwise force it to improve. [118] Ask who benefits, who pays and who is prevented from trying.

For a family, political protection creates sovereign exposure. How much of the enterprise's strength comes from customers who can leave? How much comes from competitors who are kept out? The state can rewrite the advantage it granted. An asset supported by permission requires a different judgment from one supported by freely chosen demand.

AI raises the stakes on both sides. An incumbent can combine it with proprietary data, capital and distribution. A small team can use it to research, write software and test an idea with fewer people. Access to compute, data and customers still matters. The OECD identifies both the prospect of lower entry barriers and the advantages retained by established firms. [118] Size buys resources; it does not settle who will adapt first.

Start from first principles inside the family office. What result does the family need? Does this workflow need to exist? What actually prevents a better result? Separate a physical limit

or legal obligation from an inherited procedure, a misaligned incentive or someone's preference. Find the bottleneck before buying another tool. Automating unnecessary work makes the wrong activity cheaper.

Shorten the distance between a decision and the evidence that tests it. Give a capable person authority, a bounded budget and a deadline. Remove repetitive approvals from reversible experiments; retain independent authorization for irreversible commitments. Judge the evidence. Stop failed experiments and retain what was learned. Replace a process when its purpose survives but its method no longer works. Give the next generation real decisions and responsibility for the result.

Measure what changes: the quality of decisions, speed of execution, strength of people, clarity of purpose, adaptability of systems and the family's own capability. More reports and meetings prove nothing. A family that preserves its capital while losing its capacity to create has left something essential undefended.

When the story outruns the law

A family can survive an unpopular policy and still be unprepared for a collapse in the authority that protects it.

In 1789, France's fiscal crisis and hunger fed a political crisis that the monarchy could not contain. The crown, inherited privilege and centuries of custom did not preserve the old order. The Revolution stripped away feudal privileges. Later governments seized émigrés' property and made return punishable by death. [119,120,121]

The exposure is speed. Once the institutions that settle disputes lose legitimacy, an argument over taxes can become an argument over who deserves to own anything. A wealthy family needs functioning courts and a credible way for people to change policy without violence.

The vote is a safety valve. I want it to work for everyone. A family concerned with continuity should care about the legitimacy of the system that enforces its rights.

Who shapes the story now

For most of the twentieth century, a small number of institutions shaped how the public understood the world: newspapers, broadcasters, universities, political parties. A family could form relationships with those institutions, understand their incentives and, to some degree, anticipate their direction.

Those institutions still matter, but they no longer control the conversation. Individuals with enormous online followings can move a narrative before established organizations have decided how to respond. A viral post can turn a private family into a public symbol overnight. Artificial intelligence makes persuasive content cheaper to produce and easier to tailor to different audiences.

The practical consequence is that a family's visibility has become a form of exposure. Every property record, every flight, every philanthropic gala, every child's social media post adds to a public picture that can be assembled, distorted and used.

Protect the capacity to judge

Power can determine which account is rewarded, repeated or punished. An official narrative can suppress a fact. It cannot make the fact false. A family that treats truth as whatever the powerful say has already surrendered its judgment. The office must preserve the distinction between evidence, the prevailing narrative and the consequences of challenging that narrative.

Whoever controls the terms of an argument can control its conclusion. Education, media, technology platforms and political movements shape attention, language and the price of disagreement. Examine the incentives, identify the mechanism and go to the original evidence. A compelling story is not proof.

My commitments to property, enterprise and limited government are clear. They do not exempt a source from examination because it agrees with me. I apply that standard to X, a university, a newspaper, a political ally and an AI answer. Independence requires the ability to reject a convenient argument from your own side. Otherwise someone has simply learned which convictions to flatter.

Build that independence in the next generation. Ask them to find the original document, defend the strongest opposing case and name the fact that would change their conclusion. Give them permission to challenge the family's preferred story. AI can compare arguments. Agreement among models can repeat the same source. Judgment still belongs to the person making the decision.

The double-edged sword of access

Many wealthy families respond to political risk the way their grandparents did: by cultivating access. They fund candidates, host fundraisers and build relationships with the people in power.

That can be useful. It can provide information, influence and, sometimes, favorable treatment. But it carries a risk that is easy to underestimate. Partisan access is perishable. Leadership changes. Coalitions shift. The family that was inside the circle under one administration can find itself on the wrong side of it under the next, and its previous closeness becomes evidence against it. Families on both the left and the right have learned this painfully in recent years.

There is a quieter form of standing with deeper roots. A family that employs people, supports a hospital or school and behaves decently over decades builds relationships that can survive a change of administration. That standing can provide information, cooperation and public support. It must be earned, and it cannot be treated as immunity.

Access has to survive the person who grants it

A powerful acquaintance can improve a family's view of the world. It can also conceal how little of that view the family actually owns. If access rests on one official, one intermediary or the principal's personal history, the relationship has its own key-person risk.

A hospital administrator, a senior civil servant, a port operator and a trusted local lawyer may each see a different part of an unfolding event. Earned trust and legitimate cooperation connect those perspectives. A relationship that cannot survive scrutiny can become an exposure precisely when the family needs it most.

The office must distinguish information, influence, service and authority. Someone may explain a policy without having power to change it. Someone may want to help without controlling the required capacity. Someone with authority today may lose it tomorrow. The deeper question is whether the family's standing and working relationships survive personnel changes, political disagreement and the founder's absence.

Reading the signals

Changes in the public story can also provide warning.

Watch for emergency language, proposals to expand reporting and enforcement, and the treatment of previously ordinary conduct as suspicious. Holding assets abroad, moving residence or using a lawful structure can become a political accusation before the law changes. Distinguish rhetoric from a formal proposal, a proposal from enacted law, and enacted law from the date it takes effect.

Those distinctions reveal what remains possible and how much time the family has. Monitoring earns its value when an authorized person receives the evidence while useful choices remain.

Do not become the story

Visibility should be a deliberate purchase.

A family sometimes needs a public voice, a visible business or political engagement. It should know what that visibility achieves and what it exposes. Unnecessary disclosure of locations, relationships and routines gives other people information they did not need. Discretion preserves room to act.

CHAPTER 11

When the Lights Go Out

A family can lose control without a new law. Power fails. Networks go down. An instruction arrives from a voice that sounds right. Records become unreliable. This chapter asks which capabilities survive when the systems beneath daily life stop working.

It has already happened

On April 5, 2024, a magnitude 4.8 earthquake centered in New Jersey shook New York City, Connecticut and much of the Northeast. I felt it in my home. Ten days earlier, on March 26, the containership Dali struck Baltimore's Francis Scott Key Bridge and caused its collapse. A familiar route disappeared.[122,123]

On July 19, 2024, a defective CrowdStrike update crashed millions of Windows systems worldwide, grounding flights and disrupting banks and hospitals. On April 28, 2025, a blackout shut down power across continental Spain and Portugal.[124,125]

On November 12, 2026, a major Microsoft 365 outage disrupted email and other services. Microsoft recorded thirty hours of disruption. Its preliminary analysis identified an earlier network-capacity upgrade issue exposed by a later change. The company said it was not related to cyber activity or AI. Its full post-incident report was still pending as this edition closed.[126] On November 13, the FAA halted departures nationwide after communications problems. The stop ended at 8:15 p.m. Eastern; delays continued Saturday.[127]

Earthquake, bridge, software, grid, cloud, airspace. Each exposed a system the family does not control. Now combine failures in a rehearsal: power is out, ATMs and card payments are unavailable, email has failed, flights cannot depart, and the usual crossing lies between you and your children. Which problem can your office solve, and which one defeats the rest of the plan? A private aircraft does not give you a private air-traffic-control system.

Density creates dependence

A penthouse is not a supply chain. Manhattan's wealth rests on systems that reach far beyond the island. New York City reports that roughly half its food supply moves through four major bridges and two tunnels. Access to the city is part of the food system.[128]

The city's drinking water comes from upstate watersheds, with most of it delivered by gravity. Tall buildings add electrical pumps and elevators. A functioning reservoir does not settle whether water reaches your floor or an older family member can leave the building. [129,130]

The blackout that began on July 13, 1977, left parts of New York without electricity for up to twenty-six hours. Fires and looting devastated parts of the city. An infrastructure failure can become a security problem before the surrounding institutions recover. [131,132]

Now test the conditions rather than a slogan about how many missed meals precede disorder. A major crossing closes. The airports stop departures. Your building loses power. Food deliveries slow. Police, medical workers, drivers and security staff face urgent demands, and their own families need help. How many of the people in your plan can reach you? Who has actually agreed to stay? What works after dark?

A second residence only helps if everyone can reach it. A generator needs fuel, maintenance and an operator. Food and water reserves buy time; replenishment determines what happens next. The family does not need to predict which system fails first. It needs to know what that failure takes down next.

The fortress problem

When wealthy people think about physical preparedness, many picture a compound: a remote estate, a hardened shelter, a stockpile, a security team. Some of the most powerful people in the world have built exactly that.

The property may be useful. The assumption that hardening it makes the family independent is the mistake.

Drones have changed the economics of surveillance and attack, as the war in Ukraine has demonstrated. A fixed, conspicuous location can become easier to observe and harder to leave. Private owners also face legal limits on interfering with aircraft and communications. Owning the property does not confer authority to jam signals or bring down a drone. [133,134]

A stockpile buys time. Its value depends on replenishment, maintenance, access and the people who protect and operate it. A large reserve advertised to the wrong audience can create an additional threat.

The writer Douglas Rushkoff described wealthy men asking how they could maintain control of their security staff after a wider collapse. A family can purchase equipment and contracts. It still needs the cooperation of the people on whom those arrangements depend. [135]

The guard problem reaches well beyond guards. Staff have families, obligations and limits of their own. A credible continuity arrangement accounts for those realities. People who have been excluded from preparation cannot be assumed to execute it flawlessly for someone else.

Discretion and movement

A family needs to consider how easily it can be found, how safely it can remain and how it can leave.

Public records, photographs, travel information and social posts can expose patterns that AI-assisted analysis makes easier to connect. Reduce unnecessary disclosure. Examine alternatives to a single conspicuous destination. Keep medical access, communications, transport and the needs of dependents in the same decision. A quieter location is useful only if the family can reach it and function there.

The attacks that arrive as a voice

An attack can begin with a voice the family trusts.

Deepfakes can impersonate a real person through synthetic voice, images or video. A caller can sound like the principal. A video can appear to show the CFO approving a transfer. A familiar voice or face is not authorization. Confirm the instruction through an established, independent route. Require a second authorized person before money moves. Rehearse an urgent request while the principal is unreachable. Can your office refuse a convincing counterfeit when pressure tells everyone to comply? [136]

Consider an adversary using an AI-assisted companion or online relationship to draw information from a family member over months. Routines, relationships and vulnerabilities emerge through intimacy. Protecting the next generation now includes helping it recognize a relationship being used as a method of access.

The attack can borrow your authority

An AI agent adds a new route into the family’s affairs. A malicious instruction can arrive inside material the system was asked to read. If the agent also has broad access to files,

communications or financial tools, an attacker may turn that reading task into an unauthorized action. The intrusion can use credentials the family deliberately supplied. Running the model locally does not remove this problem.[137]

Authority must be enforced outside the model's own reasoning. Access to a trust document is different from authority to instruct its trustee. Permission to prepare a payment is different from permission to release it. A system should not be able to enlarge its own rights because a persuasive piece of text tells it to. The family must be able to revoke access and recover evidence of what happened even if the agent is compromised.[137]

AI can also strengthen defense: correlating unusual requests, exposing inconsistencies and accelerating investigation. The family must retain control of both its assets and the instructions through which those assets move.

The Ledger Is the Asset

A fortune can remain legally yours while its financial record becomes unusable. Bank balances, securities entitlements and payment instructions depend on records maintained across institutions. The family must be able to establish what it owns, what it owes and which instructions were actually authorized.[138]

AI changes the economics of attacking that record system. In November 2025, Anthropic reported a campaign against roughly thirty targets, including financial institutions, by a group it assessed as Chinese state-sponsored. Attackers used Claude Code for vulnerability discovery and other intrusion work, with humans directing key decisions. Skilled operations can now be multiplied through software.[139]

Artificial general intelligence (AGI) is the ambition of systems with broad human-level capability. Artificial superintelligence (ASI) would exceed the best human performance across most cognitive domains. I expect control of that capacity to become a decisive source of sovereign power. Private families inherit the exposure through banks, utilities and payment systems they do not control.

Cyber becomes sovereign risk when states or their proxies use digital systems to restrict another party's freedom to act. Britain's National Cyber Security Centre assesses that by 2028 states are highly likely to use AI-enabled cyber operations routinely for geopolitical objectives. A family inherits that exposure through the institutions recording ownership, authenticating instructions and settling payments. The same infrastructure may serve every

bank in an apparently diversified plan. Whether disruption begins with an error, a criminal or a state, the family must establish what it owns, who can issue a valid instruction and which payment route still works. Those decisions cannot wait for attribution.[139]

Now change the attacker's objective. Corrupt a ledger. Make transactions impossible to reconcile. Stop payroll while the institution establishes which records are trustworthy. An adversary can seek paralysis rather than profit. NIST identifies the alteration or destruction of financial records as a data-integrity threat. Financial-market recovery requires accurate positions and transactions, not merely computers that switch back on.[138,111]

Keep independent, dated evidence of statements, registers, title documents, agreements and transaction confirmations. Protect it outside the credentials and systems whose failure it must survive. A copied file under the same compromised administrator is not an independent archive. The federal StopRansomware guide calls for offline, encrypted backups and tested recovery.[140]

Evidence supports reconciliation and a legal claim. It does not recreate a bank's complete ledger or make a payment settle. The office needs a separate answer for essential bills: an authorized, tested route whose institution and infrastructure can still function. Two account names can conceal the same dependency.[138]

Ask who can produce the evidence when the normal portal is unavailable, who can authenticate it and how the family operates during the dispute. Proof and usable liquidity are separate capabilities. Build both.

Staying in contact

The most basic capability a family needs in any disaster is the ability to reach one another. It is also the capability families most often assume they have and have never tested.

Test the communications route that survives the loss of ordinary cellular service. Satellite equipment depends on service availability, power, location and a person who knows how to use it. Two devices on one network share that network's failure. Who carries what? How do check-ins work? What happens when someone misses one? When did the alternative last work under the conditions the family expects to face?

Disasters do not need a policy

Prepare for the hazards where the family lives: hurricanes in Palm Beach, wildfire and earthquakes in parts of California, medical emergencies and prolonged outages everywhere. Communications, accessible money, clear authority and a usable destination support many responses. The office still has to rehearse the event it expects those capabilities to withstand.

For a family with the means, my planning target is thirty days of essentials, and sixty days at its primary residence. Count the people who will actually be there, including staff. Food they will eat. Safe water and a way to replenish it. Medicines. Independent light and communications. Warm layers, waterproof clothing, broken-in boots and a portable departure pack. Shelter, backup heat and lawful protection belong in the plan. Every item needs an owner and a test.[141]

Now rehearse seven days without grid power. Then fourteen. These are scenarios, not forecasts. In a tower, water below the street may never reach the tap. Refrigeration, building access, medical equipment and communications can fail together. A satellite handset needs power, service and a person who can operate it. Money in an account cannot summon safe water, fuel or an available technician. Decide what must keep working, what can be repaired and what triggers departure before conditions force the decision.[141]

Preparedness earns its value when the normal arrangements stop working.

The Question That Changes Everything

A family can turn a broad concern about the world into a specific account of what it depends on.

A lawyer can finish a trust before the bank will accept its instructions. An immigration adviser can secure admission before the office has arranged a way to pay after arrival. Law, money, people and technology have to meet in the right order. The family inherits the consequences when the specialists' work does not connect.

The first move is to ask a question the balance sheet does not answer.

From balance sheet to dependency map

Every family office produces a balance sheet. It lists what the family owns, what it is worth and how it has performed. Families review it quarterly, sometimes monthly. Advisors are paid to improve it.

Put a second document beside it: the dependency map.

For every significant asset and every essential function, the dependency map answers the question from Chapter 1: who has to cooperate for this to work on the worst day?

It covers more than assets. The family’s ability to pay its staff depends on certain banks, payment systems and people. Its ability to make decisions depends on certain individuals being reachable and having authority. Its ability to move depends on documents, transport, borders and destinations. Its ability to communicate depends on networks and devices. Its ability to protect itself depends on providers, contracts and relationships.

An honest map exposes concentrations the account statements conceal. Several banks may depend on one clearing system. Trusts may share a trustee. Every meaningful decision may require the same person.

The map also exposes wealth that cannot meet its deadline. A private holding needs consent to transfer. A liquid investment sits behind an expired mandate. A structure works only while its original architect answers the phone. The valuation tells you none of this.

End with decisions. Which dependency will you remove? Which will you retain, knowing the cost of its failure? Name the person responsible and the test that will prove the alternative works.

The four questions

Behind the dependency map sit four simple tests, each of which a family should be able to answer for every asset that matters.

Honor the claim. Which bank, issuer, custodian, insurer or court must recognize and deliver what the family owns?

Permit access. Who can restrict transfer, withdrawal, movement or operation? Which rights can the family actually enforce, and where?

Keep it working. Which people, suppliers, power sources, networks and payment systems keep the asset useful?

Provide an alternative. If one critical participant cannot cooperate, what remains usable, and has that alternative actually been tested?

Clear answers reveal what the family can rely on, what remains an assumption and where action should begin.

Capability, not activity

I judge family offices on six capabilities: the quality of their decisions, the speed of their execution, the strength of their people, the clarity of their purpose, the adaptability of their systems and the capability of the family itself. None of those is measured by activity.

A family office can produce detailed geopolitical reports, commission legal opinions and hold quarterly contingency meetings while remaining unable to act. The evidence must be operational. Can the authorized person make the decision? Can the payment move? Can the successor obtain the records and use them?

Goals make demands. A family that wants independence has to pay for capability, develop people and tolerate the discomfort of changing arrangements that once worked. An ambition without resources, authority and someone accountable for execution remains a preference. Ask what the stated goal requires the family to do this year, what it requires the family to stop doing and who will answer for the result.

A family office proves its value when conditions stop cooperating. A founder is incapacitated. A bank restricts access. Jurisdictions change the rules. Technology overturns an operating assumption. The office must establish authority, distinguish evidence from noise and turn a decision into action while the situation is still moving. That capability has to be built before the pressure arrives.

> *“You don’t need someone who’s brilliant when everything’s working. You need someone who’s brilliant when everything’s on fire.”*
>
> **Angelo Robles**

CHAPTER 13

Sovereign Optionality

If I had to reduce the entire subject of sovereign risk to a single word, it would be optionality.

Optionality means another way to act. Another bank or custodian. A lawful place to live. A way to communicate when the ordinary network fails. A second person whose instruction the institution will accept. The option earns its name when it survives the event that disabled the first route.

What poker teaches about the future

I mentioned at the start of this book that I play poker. It shapes how I think about this subject more than any economic model does.

A good poker player does not know what cards are coming. Nobody does. What the good player knows is the range of possibilities, the probabilities attached to them and the consequences of each decision across that range. The player manages position. The player avoids committing everything to a single outcome before the information justifies it. And above all, the player changes the decision when new information arrives, without ego and without regret.

The worst players do the opposite. They fall in love with a hand. They commit too early. They ignore new information because it contradicts what they wanted to be true.

A family can make the same error by organizing its life around the uninterrupted continuation of the present. Its residence, banking, custody, legal structures and investments may all assume that the same rules persist and the same institutions keep cooperating.

The exposure is concentration in an assumption.

Everybody has a plan

Mike Tyson put the problem better than any strategist. Everybody has a plan until they get punched in the mouth.

A detailed plan can become brittle when the facts change. Preparation develops the people and alternatives that allow the family to respond when the expected sequence breaks. The

question is whether the family can still make a sound decision and execute it after the first assumption fails.

Some capabilities work across many scenarios. Clear authority, usable liquidity, accessible records and people who have rehearsed together remain valuable even when the event arrives in a form nobody predicted.

Three of everything

My working rule is three routes for what the family cannot afford to lose.

Start with the primary route, an alternative that survives its important failure modes, and a way to recover if both are impaired. Where jurisdiction or control creates the exposure, the alternatives must address that exposure. The number is a design discipline. Three labels on the same dependency achieve nothing.

For every essential function, ask what disables it. The answer may be a failed institution, a legal restriction, an unavailable decision-maker, a lost credential or a power outage. Build the alternative around that failure. A second passport, bank or trustee is useful only to the extent that it changes what the family can actually do.

Two banks under one regulator can still reduce exposure to the failure of an individual bank. They may provide little protection against an order that applies to both. Two satellite devices on the same network share a network dependency. Two trusts using the same trustee share a human and institutional dependency. Independence must be tested against a named event.

The cost of options

Optionality is not free.

Residency options take time to establish and maintain. Accounts and structures in several jurisdictions bring reporting duties, legal costs and operational work. Immediately accessible reserves can carry an opportunity cost. An additional arrangement can also introduce tax, counterparty or security exposure. Every route must earn its place.

The standard is useful independence at a cost the family understands. Spend where the alternative preserves an important decision or function under pressure. Remove complexity that no one can explain or operate. The result should make action clearer for the people who will inherit responsibility.

Some options require years of lawful preparation. Others can be built sooner. Establish them while the family has time to compare terms, verify access and correct mistakes.

The first move is rarely the completed answer

Buy gold. Open another bank account. Obtain a residence permit. Hold Bitcoin directly. Each can improve a family’s position. Each can also become an expensive reassurance when the family stops thinking at the point of acquisition.

Direct Bitcoin custody removes an exchange's permission from the chain. That is a substantial gain. It also puts the family's own competence on the line. Can a successor sign without the founder? Can an error be caught before the transfer becomes irreversible? If a signer, device or network fails, what still works? Know which bills can be paid directly and which require conversion through another institution. Control of the keys begins the work; it does not finish it.

The deeper work reconciles competing requirements. Reserves need protection from theft and coercion, while operating funds need timely access. Privacy must coexist with enough documented knowledge for succession. Dividing authority can reduce unilateral failure and also create deadlock. Speed can preserve an option and accelerate an irreversible mistake. A structure earns its place by handling these tensions under the family’s actual circumstances.

The same reasoning applies to essential businesses. A minority stake in a fuel depot is an economic interest. A right to a defined quantity of fuel during a shortage is a separate matter. The operator still needs supply, staff, permits and a lawful basis for allocation. Owning a transport business likewise does not establish that a particular family member has a usable departure route. The rights must survive contact with the operation.

This is where the subject becomes much more demanding than collecting defensive assets. The family must connect legal rights to usable capacity, capacity to authorized people, and people to resources they can reach in time. It must also understand what each protection makes harder elsewhere. Those relationships determine whether a collection of individually sensible decisions becomes a functioning system.

The members’ work goes into those relationships in detail. The relevant measure is how many consequential choices the family has preserved when a critical dependency fails. Sophistication should increase that number. Complexity that only increases the number of documents has failed.

Beyond resilience

Nassim Nicholas Taleb describes three responses to disorder. The fragile is harmed by it. The robust withstands it. The antifragile can gain from it. Survival comes first. A prepared family can aim higher.[142]

Optionality is one route. Build choices with a cost the family can sustain, downside it can contain and potential gains that exceed the cost. Residence established early, funding arranged before credit tightens and an independent route to cash can preserve the ability to act. When disorder arrives, a family with usable liquidity and authority can buy what others must sell, recruit talent and move while others wait. The option must survive the event that makes it valuable; a credit line that disappears under stress is no such advantage.[142]

The same discipline applies to people. Heirs sheltered from every consequential decision can meet their first real test at the worst possible time. Give them genuine responsibility, bounded losses and honest consequences while mistakes remain survivable. A rehearsal that exposes a failure on a quiet Tuesday can strengthen the family before Friday arrives.

Ask of every arrangement: if disorder doubled, would the family be weaker, the same, or stronger? Then name the mechanism that makes your answer true.

CHAPTER 14

What Prepared Families Build

A prepared family needs more than money in several places. It needs evidence that money can be reached, decisions can be made, people can move and essential operations can continue when the ordinary route fails.

The work brings together liquidity, essential access, custody, location, specialist capacity and owned intelligence. Their value depends on how well they work together.

Liquidity that survives the weekend

Liquidity deserves early attention because payment obligations continue while access is interrupted.

Organize liquidity by the conditions under which it can be used. Some resources must be available within hours. Others can support the following days or a longer interruption. Identify the institutions, people and systems required for each tier, and the restrictions that could prevent its use.

If the main bank became unavailable on Friday evening, how long could the family meet its essential obligations? Answer in commitments and dates. Payroll, debt service, taxes, care and security do not all wait for the same deadline.

Match every deadline to money the family can actually reach. Count a credit line only after examining the lender, collateral and draw conditions under the same crisis. A facility that disappears with the bank's confidence cannot fund the response to that loss of confidence.

Behind this door, members find:
Liquidity stacks. Funding ledgers. Credit arranged before a crisis. Payment authority and stress tests. The handbook connects these to the family’s actual obligations.

Access to essential systems

The same discipline applies to the physical world.

A family cannot own every system it needs. What I call the ladder of access distinguishes the arrangements it can make: ownership it can operate, an investment with enforceable rights, a contract reserving capacity, and relationships with the people who run essential services. Each carries a different claim on cooperation.

Money alone does not establish priority during a shortage. Neither does a minority investment, a familiar executive or a promise made during a sales meeting. The family needs to understand the rights it has, the conditions that override them and the capacity actually available.

Look below the obvious asset. The generator-service firm, a transformer refurbisher and a refrigerated distributor sit beneath the infrastructure everyone recognizes. In October 2026, the U.S. Department of Energy reported multi-year lead times for power and distribution transformers.[143] A compatible spare and the people qualified to install it can become a critical form of access. Aircraft maintenance, water-treatment inputs and local compute support offer other positions to examine.

The investment earns its place through customers and cash flow. Family continuity requires a separate right: specified repair hours, inventory, delivery windows or equipment capacity, reserved under a contract the operator can lawfully honor. A minority shareholding and a friendly owner do not provide that. A retainer buys a defined commitment; it does not create another technician. Ask who answers, what is already promised, where the parts are and whether the route survives.

Then rehearse simultaneous demand. Can the crew reach you? Can its people leave their own families safely? Existing customers, worker protections and emergency priorities still matter. In the United States, rated orders under the Defense Priorities and Allocations System can take precedence over ordinary commercial work.[144] Government does not have to seize the company to redirect its work. A contract is useful only when the people, equipment and authority can deliver it.

Name the service. Establish the right. Test delivery. Then follow the border, export restriction or allocation order that could stop it. A title cannot repair a generator.

A productive business can replenish the reserve

A reserve is drawn down. A productive business can replenish resources. For a family with the scale and operating competence, cold storage, water-treatment inputs, fuel distribution

and equipment maintenance open a different set of possibilities. I am interested in repeatable operating cash flow, useful capability and earned relationships across several economies. The enterprise must justify the capital and people it requires.

Consider a hypothetical company operating cold rooms for food and temperature-sensitive medicines. It earns storage fees, sees changing demand and works with suppliers whose competence matters beyond that investment. During a regional outage, refrigeration consumes fuel just as delivery fleets and hospitals compete for it. Qualified operators, existing customer obligations and public priorities determine how much capacity remains available. Ownership cannot make the same stored supplies serve every claimant.

International revenue creates another layer. Different currencies and customers can broaden cash generation while several businesses still depend on one shipping corridor, insurer, payment route or major buyer. Revenue must survive costs, replacement capital, debt and local restrictions before it becomes money the family can use elsewhere. A profitable company can need more working capital during the crisis in which its owner expects it to fund the family.

The same capacity cannot be promised twice. Investment income, emergency liquidity and priority access are different claims on an enterprise. They may compete under stress. Essential status can also attract allocation orders or price controls. The serious work connects the investment thesis to operating rights, family obligations and the event being prepared for. Buying an asset because people will always need its output leaves that work unfinished.

Owning the institution

For some families, ownership can reach into financial infrastructure itself. A bank can become a platform for underwriting, payments, treasury and client service. Ownership lets the family build the institution’s competence and direction. The licence also binds it to capital, liquidity, governance and supervision requirements. Transactions with owners and affiliates face prudential controls. Customer deposits remain obligations of the bank. They do not become the shareholder’s spending money because the shareholder controls the board.[145,146]

An owned insurer offers another operating position. A commercial insurer underwrites outside risks; a captive can finance defined risks of the family’s businesses and shape coverage around exposures the commercial market handles poorly. Insurance float provides

investment funding before claims are paid. Its economic value depends on what those claims ultimately cost. Capital, reserves and the assets supporting them have jobs to perform. Distribution restrictions and controls on affiliate transactions limit what an owner can extract. [147,148,149]

Now connect the exposures. A catastrophe can damage an operating company, generate claims against its captive and depress the investments meant to fund those claims. Reinsurance can transfer part of the loss, but payment depends on the treaty and another institution's performance. Counting the insurer's assets again as the family's emergency reserve can turn one pool of capital into several imagined protections. The owned bank poses a similar problem if the family relies on its dividends, deposits and credit line at once. [150]

These businesses can create substantial capability. They also require the family to govern an institution that must honor other people's claims. I would judge ownership on two questions: what operating advantage does the family possess, and how does the family continue if its institution cannot pay? Owning more of the machinery makes understanding the machinery more urgent.

Behind this door, members find:
Supply-chain positions. Productive businesses. Banks, insurers and essential infrastructure. The handbook examines enforceable access, competing claims on capacity and the risks that ownership creates.

Custody under pressure

Directly held assets, including gold and digital assets, raise a different set of questions.

Removing an intermediary can reduce one dependency while concentrating responsibility on a person, a device or a location. If one individual can move the entire reserve, that individual may become a target. If nobody else can recover access, their incapacity can strand the family's wealth.

Dividing authority can limit what an attacker gains by coercing one person. Physical coercion remains a threat: an attacker can misunderstand the arrangement, target someone else or keep applying pressure. Design custody, personal security and lawful succession together.

Make the reserve hard to steal without making it impossible to inherit. Divided authority and delayed access can protect capital while slowing an urgent payment. Different providers can spread control while complicating recovery. The family still has to pay its bills, replace a missing signer and put lawful authority in a successor's hands.

Behind this door, members find:
Custody across jurisdictions. Divided authority. Recovery and succession. Proof of ownership and responses to coercion. The handbook tests where control survives and where it breaks.

Wealth that crosses a border

Gold needs a physical route across a border. Bitcoin can cross without being carried. In self-custody, cryptographic keys control the asset; an exchange no longer decides whether you can withdraw it. A properly generated recovery phrase can restore a compatible wallet. It can be memorized. Access can travel without a vault, a courier or a correspondent bank. Spending still requires a functioning network and a willing recipient or buyer. That is a different kind of portability.[151,152]

Bitcoin is not private by default. Its ledger is public and transactions can be traced. Monero makes transaction privacy mandatory. Zcash offers shielded transfers alongside transparent ones. Privacy and custody are separate decisions. A privacy protocol cannot make a bank or exchange accept the asset at the destination.[153,154,155]

The channels can close. Kraken stopped Monero trading and deposits for clients in the European Economic Area on October 31, 2024. From July 10, 2027, the European Union’s new anti-money-laundering regulation prohibits covered financial institutions and crypto providers from keeping anonymous crypto accounts or accounts that obscure transactions, including through anonymity-enhancing coins. Its reach is regulated accounts, not a general ban on private possession. A family can retain an asset while losing the convenient route for using it.[156,157]

Memory alone is a terrible family vault. A forgotten phrase, coercion or an unprepared successor can destroy access. Separate portable liquidity from the reserve meant to survive generations. Multisignature can require independent approvals; recovery also needs the wallet configuration, not just a collection of seed phrases. Rehearse restoration and

succession before funding the design at scale. Gold, digital assets and banked money have different jobs. Portability does not erase tax or reporting obligations. It creates another route when familiar ones close.[96,158,102]

Behind this door, members find:

Custody designs that resist coercion and survive succession. How digital assets, gold and banked reserves complement one another in the first days and months of a crisis. The legal and reporting obligations that apply across borders.

Location as architecture

Most families ask which country has the lowest taxes. The better question is how your capital survives the next hundred years, whatever happens. A low tax rate is a narrow victory if the family cannot replace a failing fiduciary, reach its bank, establish ownership or fund an obligation. Ask how the arrangement preserves authority across generations, jurisdictions and political regimes. A century of continuity requires adaptation. A document signed once cannot supply it.

Before choosing the jurisdiction, ask what can change. Who can amend the arrangement? Whose consent is required? What happens when the founder dies or the jurisdiction turns hostile? Residence, citizenship, ownership, governing law and essential people can pull in different directions. The structure must reconcile them. Tax matters. So do succession, enforceability, access and the freedom to change course.

Geography enters the design through several different decisions.

Separate four decisions: where the family lives, where the family office operates, where structures are formed and where assets are held. Each creates a different exposure. Residence, domicile, citizenship and tax residence are distinct legal connections. One address cannot describe the family's position.

A trust assigns duties over property for its beneficiaries. A private trust company can serve as the corporate trustee for a family's trusts, where law and scale justify it. An LLC or corporation can organize ownership of a business, real estate or an investment portfolio. A foundation can hold assets for purposes defined under its governing law. A family-office management entity can employ people, contract for services and carry the operating work.

Different jobs. Different powers. The vehicles must fit the family's actual authority, obligations and operating life.[159,160,161]

One layer for succession. Another for deployment.

Consider a Liechtenstein family foundation holding a Luxembourg investment company. The foundation defines purposes, beneficiaries and the authority that carries wealth beyond the founder. The company organizes selected investments beneath it. Custodians hold the assets. Succession, investment deployment and custody perform different jobs. Each layer must earn its place.[161,162]

Now follow the money. If every liquid position reaches the same custodian or payment bank, the structure has changed ownership without creating another route to cash. The people who authorize a distribution, the institutions that release it and the account that receives it have to connect.

Then examine the law that follows the family. In Rost v. United States, a Liechtenstein foundation was treated as a foreign trust for U.S. reporting purposes. The court affirmed judgment for the government in the resulting penalty dispute. A foreign label did not decide the U.S. treatment.[163]

More boxes on a chart are not evidence that the family can act. Members work through recognition, retained powers, providers and sequencing with the family's actual circumstances in view. That is where an arrangement becomes an architecture.

The question is not where the family can put another address. It is which function that location can perform when the first jurisdiction cannot. Residence, citizenship, the operating office, ownership structures and asset custody are different decisions. Every location must add a usable capability and carry obligations the family understands.

A satellite family office earns its name only if it can execute a delegated decision when headquarters or the principal is unavailable. Institutions must accept its authority. Staff need lawful presence. Independent records, owned AI, usable banking, power and communications must survive the same disruption. Rehearse a funded instruction from that office to completion. Fiduciaries must perform their assigned duties; family command must not erase required independence. A second address is not a second capability.

The tax opportunity depends on citizenship, residence, income sources and the rules governing each arrangement. For a U.S. citizen, living abroad generally leaves worldwide income-tax obligations in place. Moving residence and relinquishing citizenship are separate decisions; expatriation provisions can impose substantial costs on covered individuals. The value of structure also lies in enforceable rights, continuity of management, succession and the capacity to change an arrangement that stops serving the family. Establish what each vehicle does before deciding where it belongs. [102,164]

Sequence the changes before moving people or capital. A residence permit does not settle tax residence. A foreign entity does not place an asset beyond every court. A new citizenship brings obligations as well as choices. Start with the ties the family already has, then establish what each change adds and what it leaves in place.

Florida or Texas may be candidates for family residence or an operating office. Wyoming and South Dakota may enter the discussion for entities or trusts. A single preferred state does not settle all three choices. Put the trustee's jurisdiction beside the place where the family lives and where senior people make decisions. The operating choice still has to support talent, medical care, transport and reliable services.

State law operates inside a federal system. Moving the home, choosing a trust jurisdiction and locating an office have different legal consequences. Their benefits must survive the family's actual ownership, history and conduct. None removes federal obligations or the financial infrastructure shared by its institutions. A coherent arrangement gives each location a job without pretending that a state line dissolves every connection.

The right to defend your family is also shaped by where you live. I support private property, personal freedom and the Second Amendment. I regard lawful armed self-defense as a limit on concentrated state power. In the United States, more than half the states allow permitless carry for eligible adults; others require a carry license. Possession, carry and transport are separate legal questions. A firearm does not travel on your passport: export, import and transit requirements must be checked before it crosses a border. A family choosing a domicile is also choosing the rules under which it may protect itself. [165]

The destination must admit the whole life

Multiple citizenships and residences earn their place by adding lawful routes to different places the family can actually live. Test those routes against the same geopolitical shock. A

principal's position may not cover an adult child, a spouse, a caregiver or the executive whose signature keeps the office operating. Departure, transit, admission, residence and permission to work are separate conditions.

In 2020, Japan barred some foreign permanent residents from re-entering under its pandemic border rules. Japanese citizens were outside that foreign-national entry ban.[166] Australia barred its own citizens and permanent residents from leaving by air or sea unless an exemption applied or was granted.[167] A residence permit and citizenship did not carry the same rights. Citizenship itself did not guarantee departure. Permission to enter is only half a route. You also have to be able to leave.

Arrival changes the problem. Care must continue. Children need a viable life. Staff need lawful status. The office must make decisions and reach funds from its new setting. A destination can welcome the principal while leaving the family's operating capacity behind. Additional nationality can also bring duties of its own; it does not release a person from restrictions that still apply.

This is why a passport collection and an executable alternative life are different achievements. The advanced work joins mobility to authority, liquidity, care, relationships and the office's ability to function after arrival. The option has to survive the journey and the month that follows.

The map beyond

A country is not a complete plan. Choose the function before the flag. The place that holds the portfolio may be wrong for the family's home, operating office or next generation. The useful question is what this location adds when another location stops cooperating.

For a family outside the United States, America can be a base for custody, governance and succession without becoming the family's residence. Unlike Switzerland and Singapore, the United States does not participate in the Common Reporting Standard. That difference can matter to lawful discretion. It does not remove information exchange under FATCA arrangements, treaties and other agreements. A green card or sufficient U.S. presence can create tax residence; U.S.-source income and each structure's tax classification still require review. Certain foreign-owned U.S. LLCs must file Form 5472 with a pro forma Form 1120 even without income tax due. Separate the family's residence, the structure, the people

making decisions and the assets' location. The family's tax and reporting obligations where it lives remain. [168]

Switzerland may serve custody, European administration or residence. Those are separate arrangements. Securities held for a client differ from cash owed by a bank. An account does not grant permission to live there. Its expenditure-based tax regime applies only to qualifying foreign nationals, and cantonal treatment differs. A Swiss address is not a universal answer. [169]

Singapore may be an Asian operating base with a real team, bank relationships and investment activity. Its family-office framework does not turn an office into citizenship. Singapore does not allow adult dual citizenship. A family can value the operating base without wanting its principal to become a citizen. Decide which capability you are actually buying. [170]

Canada and New Zealand may enter the physical-residence discussion for very different families. New Zealand's investor residence route carries investment and presence conditions; it is not a passport purchase. Canada's rules on foreign residential purchases have exceptions, and leaving Canadian tax residence can trigger deemed dispositions of certain property. Entry, ownership and exit each need their own examination. [171]

Uruguay and Chile may add southern-hemisphere residence or operating options. Uruguay's new-resident tax election concerns specified foreign income and gains, not every receipt. Chile has its own qualifying residence pathways. Argentina's announced investment-citizenship route must be checked for operational intake before it enters a plan. Paraguay requires scrutiny of the institutions beneath the residence: in November 2026 its central bank began resolving Ueno Bank after a severe solvency deficiency. No low-tax narrative repairs a weak counterparty. [172]

The Caribbean is a region, not one legal system. Citizenship obtained through St. Kitts and Nevis is a different instrument from a Nevis trust. Neither supplies a crew, an operating berth, medical care or permission to enter the next country. A family may combine mobility, ownership and maritime arrangements there, but each needs its own lawful route and an operator who will answer. [173]

The UAE may provide a regional business base; Golden Residency is residence, not citizenship. Italy's incoming-resident tax regime is a separate decision from locating the family's investment structures there. Puerto Rico remains a U.S. jurisdiction: bona fide

residence and the source of income matter. A qualifying local incentive does not turn every gain into tax-free income or remove every federal obligation. Operate the facts the arrangement requires. [174]

Then test the connections. Can the family reach the destination, fund life there and delegate decisions without waiting for the principal? Can the office operate through a failure of its normal bank, cloud or communications? A portfolio of flags is not a portfolio of independent capabilities. Build the combination the family can actually use, and revise it when the facts change.

Behind this door, members find:

U.S. state selection. Trusts and foundations. Country-by-country residence and citizenship. Exit-tax consequences. The handbook connects the family, office, structures, assets and people who must move together.

Specialist help arranged in advance

Specialist capacity is another dependency.

During a widespread event, crisis lawyers, evacuation providers, cyber response firms and other specialists can face competing demands. An advance agreement gives the family something to examine and test. It should identify the service, the authorized callers, the funding and the conditions under which the provider may be unable to perform.

Insurance can transfer defined losses from expropriation, currency restrictions and political violence. Kidnap and evacuation arrangements address other needs. Coverage depends on the wording, exclusions, notice requirements and the insurer’s obligations. A policy and a response service are different promises. [175]

The design problem is to connect the contract to an executable response. Who answers? Who decides? Who pays? Can the provider reach the family in the place and conditions that matter? Retaining a firm is the beginning of that examination.

Behind this door, members find:

Provider due diligence. Crisis retainers. Insurance exclusions. Funding and response authority. The handbook examines what happens between the first call and help that actually arrives.

Intelligence the family owns

Sovereign AI puts intelligence under the family's control. The family owns the hardware, holds the model files under their license and controls the records it uses. An open-weight model supplies those trained files. Install the software and records locally, and the system can work without Wi-Fi or a cloud account. A provider can suspend its hosted service without disabling the model already operating on the family's machine. [176,177,178]

The family need not reproduce a frontier laboratory. It needs enough intelligence for the work that must continue. Quantization stores model weights with reduced numerical precision, lowering memory requirements. Choose the model and hardware by demonstrated performance on the family's tasks. Inference performed entirely on that equipment carries no external per-token charge. Equipment, electricity, security and maintenance remain real costs. [179,177,180]

The deeper asset is accumulated judgment: why the family rejected a transaction, what it promised a beneficiary, which document grants authority. Imagine the principal unreachable and the cloud unavailable. A trained successor can use local intelligence to examine those records, compare obligations and prepare a decision. Local agents, software that carries out multistep work through permitted tools, can assemble a briefing or check an evidence file. Their usefulness depends on the model, the records and the permissions the family has actually tested. [181]

Privacy belongs to the whole workflow. A local model connected to remote tools or cloud records restores the dependency the family meant to remove. An offline system works from what it holds; it cannot discover that a border closed this morning. Fresh intelligence needs an information route. Consequential conclusions need verification. Agents need bounded permissions and people who retain the authority to act. [178,180,182,181]

Rent the frontier. Own the floor. Keep intelligence another trained person can restore and operate when ordinary access disappears. The family still has to interpret its documents, weigh its choices and decide. The AI Family Office Masterclasses turn that principle into

working systems, alongside the two living AI books and the continuing member conversation.

Behind this door, members find:
The two AI books, updated every thirty days. Sovereign intelligence, institutional memory and agents. The AI Family Office Masterclasses connect these capabilities to the family's real decisions.

Glimpses of the architecture

Six real arrangements, and the catch in each. Which ones fit your family, in what order and how they connect is the work members do with me.

A useful structure changes who can act, which law applies or what remains available. These sketches show the arrangement and its point of failure. The connections determine the result.

01 An onshore plan. An offshore plan.

The structure. A U.S. base for domicile, trusts and trustee governance. Offshore, a Liechtenstein foundation for ownership and succession, paired with a Luxembourg vehicle for investment. Different floors. One chain of authority.

Why it works. Florida domicile and trust jurisdictions such as South Dakota offer different protections. Luxembourg protects by daylight; Liechtenstein by design. Coordinate ownership, investment and decision authority before a crisis tests the connections.

The catch. Residence, tax and legal recognition determine whether the plan holds. Puerto Rico requires a genuine move; offshore structures bring reporting duties. Trusts, foundations and homestead protections have limits that the family must understand.

Sources and context. 185, 191, 183, 192, 161, 193, 194, 174, 184, 195, 196

02 An international presence with real roots.

The structure. Residencies and citizenships connected to homes, banking, trusted people and genuine local operations. Choose countries for different political alignments and dependencies. Prepare lawful routes the whole family can actually use.

Why it works. A prepared presence lets the family live, transact and decide locally. Diversify across political blocs, not just flags. Different passports can share sanctions exposure, information-sharing arrangements and the same political reflexes.

The catch. Entry rights, permission to leave and usable transport are separate. Pandemic restrictions exposed all three. A residence permit is not citizenship; neither guarantees an open route. Test documents, permissions and onward access together.

Sources and context. 197, 198, 199, 200, 201, 170, 174, 169, 172, 209, 173, 210, 211

03 Gold in two legal systems.

The structure. Allocated, serial-numbered bars at independent nonbank vaults in two legal systems, such as Zurich and Singapore. Add a modest reserve at home. Verify ownership, the bar list and the release arrangements.

Why it works. The family owns specific bars rather than an unallocated creditor claim. Separate vault operators and legal systems reduce dependence on a single institution, government and route for taking delivery of the metal.

The catch. Gold still needs a buyer and a route into spendable money. Home storage exchanges institutional exposure for theft risk. Revisit scarcity assumptions as technology changes; proposed mercury-to-gold production remains commercially unproven.

Sources and context. 186, 202

04 Bitcoin you can carry in your head.

The structure. Self-custody with a properly generated recovery phrase that can be memorized. A separate family reserve can require independent signatures. Both need secure recovery material and a succession plan the family has rehearsed.

Why it works. Access can travel without metal, a courier or an exchange's approval. Keys control the bitcoin. Independent signatures can divide authority, so one compromised key cannot move the family's multisignature reserve alone.

The catch. Memory is a portable copy, not the family vault. Forgetting, coercion or death can break access. Preserve recovery files and train successors. Transfers need the network; privacy and lawful exchange access remain separate.

Sources and context. 151, 152, 187, 158, 203, 154, 204

05 Own the useful middle, not the trophy.

The structure. Ownership and contracted access beneath essential systems: generator service, critical spares, fuel delivery, cold storage, aircraft maintenance and working boatyards. Specify the people, inventory and capacity the family can actually call upon.

Why it works. An available repair crew, spare or fuel route can determine what remains usable. Orders, delivery failures and repair backlogs reveal strain inside the business's own network. Operating data buys the family decision time.

The catch. Ownership does not guarantee priority. Emergency orders, customer obligations and closed routes can override the plan. The business also needs power, communications and suppliers. Rehearse the chain and honor the community it serves.

Sources and context. 205, 188, 206, 207, 189, 190

06 Intelligence the family can keep using.

The structure. Family-owned hardware with an open-weight model installed beside protected local records. Configure questions and document search to stay on the machine. Give the family controlled access and test it with the network disconnected.

Why it works. The family can search agreements, compare obligations and prepare a crisis briefing without a cloud provider's permission. Local use needs no internet or Wi-Fi, and carries no provider charge for each question.

The catch. Offline intelligence cannot know this morning's border closure. Install the model and records before disruption. Power, upkeep and security matter; remote access needs connectivity. Give agents bounded tasks. People decide.

Sources and context. 178, 181, 180, 208, 182

These are sketches, not advice. Each depends on citizenship, residence, tax position and the people and obligations of the family. Members get the full architecture, the sequencing and the conversation.

AngeloRobles.ai/membership

Educational only. Not legal, tax or investment advice.

The capabilities depend on one another

These capabilities meet in the same family. Assign the work, establish its sequence and test the connections. The office earns its value when the family can act after the ordinary arrangement fails.

CHAPTER 15

Rehearsal

The standard is evidence. Until a capability has been tested, the family does not know how much of it exists.

An office can spend heavily on structures, accounts, insurance and advice while leaving the operating questions unanswered. Has the successor used the authority? Has the alternative payment route worked under the conditions claimed? Can someone other than the principal retrieve the records? Has the communications equipment been used where the family expects to need it? A rehearsal turns those questions into observable results.

Imagine the unimaginable

A useful rehearsal removes an assumption the family has stopped questioning. The principal cannot be reached. The second bank relies on the first bank's payment route. The home is intact, but the bridge is closed. A trusted voice gives a false instruction. Then combine two failures and keep the clock running.

Use three deliberately severe stress scenarios. Coordinated restrictions: several jurisdictions freeze access while the family's banks share an alliance and settlement network. Currency disorder: inflation and payment restrictions arrive together while necessities become harder to obtain. The political response to AI: a sharp employment shock brings coordinated wealth levies and tighter exits. In each case, identify the assumption that fails and the decision that had to be made before the restriction took effect.

You will not identify every possible event. You can discover which assumptions must be true for your plan to work, and build another route where their failure would leave the family powerless. Imagine the unimaginable. Then ask who can act, with what authority, using resources that are actually available.

Decide the triggers in advance

Begin with decisions. A crisis compresses the time available for agreement. One family member wants to act. Another wants more information. The office needs to distinguish a decision that can wait from one whose useful window is closing.

For each critical scenario, choose a small number of observable triggers. I prefer three clear triggers to a long list nobody monitors. Name the evidence, the person responsible for checking it, the authorized response and the conditions that would require a different decision. Settle the policy in calm times. At activation, verify the facts and legal position. A trigger should accelerate informed action without turning an old assumption into an automatic command.

The first seventy-two hours

Put the family, its executives and the relevant advisers around a table. Choose a scenario with concrete constraints: the main bank is unavailable, the regional grid is down, or the principal is detained abroad. Separate known facts from uncertainty. Establish which actions are lawful and who has authority.

Then the clock starts. Who is called first? Who has authority to act? Which money can be reached? What must be paid, and by when? Where does the family go, and how? What do the children's schools need to know? Who talks to the staff?

Gaps often appear quickly. The successor's authority depends on a missing document. An account still names someone who left the office. An emergency contact has changed. Two people expected to coordinate both depend on the same failed network.

Finding the gap is only the first step. Assign a person to repair it, provide the resources, set a deadline and test the corrected arrangement. Keep the result. An unresolved finding remains an exposure, however productive the meeting felt.

Let the machine attack the plan

AI can broaden that examination and make it easier to challenge familiar assumptions. Use an approved environment suited to the sensitivity of the family's information. Give it the relevant plan and ask for ways the sequence could fail: missing authority, unfunded actions, circular dependencies, an impersonated principal, an unavailable provider. Have it vary the timing and remove the person on whom the office relies most.

Treat each machine-generated challenge as a proposition to verify against the actual documents, authorities and constraints. Then run the human drill. A plausible analysis earns its place only when the office tests the failure and the repair. [182]

Measure it

Record what happened. How long did it take to reach family members? When could the first permitted payment move through an alternative route? Which decision stalled for lack of authority? Which step still depended on one person?

Those results become a baseline for correction and retesting. Repeat the relevant exercise after a significant change in people, providers, law or infrastructure. A date on the calendar cannot compensate for evidence that has already gone stale.

The handbook’s Sovereign Readiness Score uses a 0–4 evidence scale across its six parts. It records demonstrated capability under the conditions tested. Keep weaknesses visible instead of averaging them away.

The Continuity Index is a different instrument: a 44-question assessment across the office’s six capabilities. It examines the office broadly; the Sovereign Readiness Score examines demonstrated sovereign preparedness.

CHAPTER 16

The Family Itself

The most consequential dependency can sit inside the family.

Every structure in this book eventually reaches a person who must understand it, trust it or act through it.

The family as the point of failure

A plan can look complete while assuming the family will act as one. In real crises, families often do not.

An heir refuses to leave a country that the rest of the family has decided to exit. Siblings disagree about who is in charge while the principal is unreachable. A spouse who was never told the plan refuses to sign. A divorce exposes structures that were designed for a different family. A member who feels excluded uses the crisis to settle an old grievance.

None of this is unusual. Wealth amplifies the ordinary tensions of family life, and crisis amplifies them further. A family that has not agreed in advance on how it will decide when it disagrees will discover, at the worst possible moment, that it has no way to decide at all.

Settle the governing questions in calm times. Who decides when the family disagrees? Who needs to understand the arrangement? What happens if a member refuses to cooperate? Who can act when the principal cannot? Legal authority and personal trust both matter. Test the point at which a signed document must become a decision people will recognize.

Who can act when the principal cannot?

Most family offices are built around a single person. The founder’s judgment, relationships, memory and authority are the operating system of the entire enterprise. That is often a source of extraordinary strength. In a crisis it can be a fatal weakness.

The principal may be traveling, ill, detained, unreachable or simply overwhelmed. If every meaningful decision requires that one person, the family’s capacity to act is only as strong as that person’s availability on the worst day.

The question every family should be able to answer, in writing, with evidence that it works, is simple. Who can make a binding decision, move money and protect dependents if the principal cannot be reached?

Wealth can be inherited. Capability has to be built.

Are wealthy families preparing their children for the future, or for the world that made their parents successful?

The credentials that opened one generation's doors do not guarantee the next generation's competence. Education must develop the ability to reason, create, cooperate and take responsibility under unfamiliar conditions. Reading deeply, writing clearly, mathematical understanding and historical perspective become more valuable when a machine can produce a plausible answer before the student has understood the question.

Are you going to be capable in an AI-enabled world? Do you want your children to be? A polished output is a poor test. Ask a successor to defend the assumptions, identify what the system missed and explain who would bear the cost of being wrong. Then ask what they can build with that intelligence that another person actually values.

Capability develops through responsibility. Give the next generation authority over something real: a project with customers, a budget with consequences, a team whose trust must be earned. Let them experience correction before a crisis removes the usual support. Skills, relationships and the ability to create value remain useful when a particular asset or institution is lost. Inheritance should enlarge the capacity to rebuild.

The capital can outlive the conviction that created it. A successor taught only the size of the fortune can inherit its obligations without understanding its purpose. Give the next generation the record: what the founder risked, whom the enterprise served, which mistakes cost money and why customers returned. Make them examine it, challenge it and build something of their own. Pride that cannot survive questions is brittle. Shame is no substitute for judgment. A family preserves more than assets when its heirs understand why productive enterprise deserves defending—and accept the responsibility to create value themselves.

The family office has a larger assignment

I see the family office of the future becoming a sovereign family operating system: an institution that connects the family's purpose, capital, knowledge, people and authority.

Family-owned intelligence and autonomous agents expand what that institution can do. A smaller team may command far more capability. Headcount is a consequence of the design. It is a poor measure of its quality.

The assignment expands beyond investment and administration. Education develops the people who must inherit responsibility. Longevity belongs here as a question of sustained agency, continuity of care and the authority needed if capacity changes, with clinical decisions led by qualified professionals. Geopolitical positioning shapes where those people can live, learn, work and maintain relationships. These decisions interact across decades. Someone must see them together.

Human judgment has a larger burden as execution accelerates. Someone must decide which goals deserve pursuit, which evidence is sufficient and which consequence the family will accept. A system can execute an instruction precisely while the instruction itself is wrong. Automating more work increases the importance of the people authorized to set its direction and stop it.

Relationships also carry obligations a database cannot discharge. A remembered promise, an earned confidence and the willingness to answer a difficult call come from how people have treated one another. Technology can preserve the history and improve the preparation. The family still needs people whose judgment others trust. Remove a person who carries an irreplaceable relationship or unrecorded knowledge, and a leaner office can become more fragile.

A foundation can outlive the purpose that created it

Foundations belong in this discussion because they can carry capital, purpose and authority across generations. They also expose how easily those three can separate. An institution can survive for a century while the judgment and intent behind it disappear.

The same word describes different arrangements. A Liechtenstein Stiftung holding assets for defined family purposes and a U.S. charitable foundation committed to public benefit do different work. International philanthropy adds further relationships: the governing institution, local partner, banking route and authorities where the work occurs. A worthy purpose does not make those connections simple.[161,212]

Serious work here develops the next generation’s judgment. Successors weigh evidence, select capable people and remain accountable for outcomes. The family can earn standing

through useful contribution while keeping private continuity arrangements separately funded and governed. Charitable capital does not become a reserve for the donor's personal needs.[212,213]

The lasting question is what must endure and what must adapt. A mission without boundaries can drift. A mission that cannot respond to changed conditions can become irrelevant. Governance must preserve that purpose while giving future generations authority to fulfill it.

The real purpose

Which brings me to the purpose underneath all of this.

Money serves a larger purpose. The family is protecting its ability to decide where it lives, what it builds, how it raises its children and what it stands for. Sovereign preparedness preserves meaningful choices when institutions restrict them.

A family with tested options can assess opportunities from a stronger position. It knows which commitments it can support and which risks it can carry. Its people can take responsibility, protect dependents and help others when they have the capacity. That is a different way to live with uncertainty.

The Friday Test

Return to the prologue. It is Friday at 5:30 p.m. The main bank has restricted payments. Monday's closing cannot fund, the principal is on a plane, and the office has to act.

Answer these ten questions. A yes requires current evidence and a demonstrated capability. A document nobody has tested is unfinished work. For legal status and recovery routes, require current verification and a rehearsed decision path.

1. Could the family pay every essential bill for thirty days if its main bank became unavailable tonight?

2. Do you know the family's operating runway, in days, against actual payment deadlines and resources it can reach?

3. Can someone other than the principal make a binding decision and arrange an authorized payment this weekend—and has that route been tested?

4. Is some usable liquidity held under a different legal system, with the family's rights, obligations and access verified?

5. Could you reach every family member within one hour if the cellular network failed?

6. Can every person who would need to relocate lawfully enter and remain in a prepared destination, with current documents and a usable route?

7. Has the family agreed on observable triggers for relocation, who can authorize it and who acts when that person is unavailable?

8. Would the office reject a fraudulent wire instruction even if it arrived in a convincing imitation of the principal's voice?

9. Have counsel identified the routes and deadlines for challenging a freeze or seizure of the family's largest asset, and can the family fund itself while the dispute continues?

10. Has the family rehearsed a crisis from first alert through essential payments, decisions and communications, with a clock running?

Read the result

Count one point for each yes. Eight to ten: most of these capabilities have been demonstrated; attack the remaining gaps and shared dependencies. Five to seven: foundations exist, but several routes remain unproven. Zero to four: the wealth may be substantial. The capacity to command it remains unproven.

The total does not set the priority. One failure in essential payments, decision authority, family contact or wire authentication can dominate nine strengths. Start with the unanswered question whose failure would cause the greatest damage.

Bring your weakest answer. The handbook's Sovereign Readiness Score examines it in depth across all six parts. Inside SFO Continuity, we turn the gap into work: who owns it, what must change and how the family will prove the repair. That is where our conversation begins.

CHAPTER 18

The Work of Staying Ready

Your Friday Test has exposed the distance between what the family owns and what it can command. The next decision is whether to leave that distance in place.

Once you see the gap, leaving it open is a decision. Put law, finance, security and technology in the same conversation. Expose the contradictory assumptions. Give someone responsibility for the whole. Excellent specialists still need a mandate that reaches beyond their separate assignments.

That is the purpose SFO Continuity serves: a private place for principals, executives and the next generation to develop the judgment and capability their offices require.

The full implementation work stays with members because architecture is specific. A structure that serves one family can damage another when its citizenship, obligations, people or timing differ. Members also compare which jurisdictions and providers have actually performed, where arrangements failed and what they changed. That candor requires trust. It is the reason to build a private community around the work.

The discipline continues

Give each unresolved exposure an owner and require evidence of authority. Specialists can then work on a problem the family has defined.

Peers contribute evidence formal advice can miss: where a drill failed, a provider disappointed or disagreement stopped a decision. Families working across borders bring different legal systems, business cultures and operating histories into the conversation. A family that has lived through a disruption can expose an assumption another family has never had reason to question. That is why the community must reach beyond one country and one familiar circle.

Successors assume authority. Providers alter terms. Governments change rules. Technology creates capabilities and dependencies. The family needs a setting in which it can return to its arrangements and challenge them candidly.

Everything in these pages is a taste. The handbook goes further on every subject this book has raised, and on many it has not. But the deepest value of membership is not the material. It is working alongside me and alongside families who have already faced these decisions: comparing what actually worked, which providers performed and where plans failed. That conversation does not happen in public, and it should not.

What members receive

Members receive the complete Sovereign Risk & Disaster Preparedness handbook: more than one thousand pages, six parts and fifty-eight chapters. Each chapter's Family Response identifies work, an accountable owner and evidence of completion. The Family Action Register, Sovereign Readiness Score, liquidity stack, crisis funding ledger and rehearsal material connect the learning to what the family must build and test.

Membership extends well beyond sovereign risk. It includes:

Direct access to me and a promptly arranged onboarding conversation about the family's priorities and the work its office needs to undertake.

Four in-person, two-day AI Family Office Masterclasses annually, included in membership. Principals, executives and rising-generation family members work shoulder to shoulder with practitioner faculty on real operating challenges. The curriculum advances with the technology. Working files created in a particular masterclass go to the members who attended it. Participation is part of the value.[214]

Private forums in Palm Beach and New York, together with roundtables, breakfasts, dinners and soirées. Relationships deepen through repeated conversations, shared work and the opportunity to understand how other families decide.

The complete sovereign risk handbook and the full member library, including Creating a Top 1% Family Office, Billionaire Mastermind, The Family Office Playbook and the two AI books, The AI-Native Single Family Office and 10 Things Every Family Office Should Be Doing Now in AI. Both AI books are updated every thirty days.

A private intelligence and strategy community of global families and their family offices. Participation extends to the principals, family members and executives who need to become more capable together.

The work continues after the room closes. Take the idea back to the office. Give it an owner. Set its authority and test whether it improves a real decision. Return with what failed. Masterclasses, direct conversations and peers create repeated chances to correct the work as the family and the world change.

Over twelve months, conversations with peers and invited speakers return to these subjects as events, technology and the family's circumstances change. The value compounds when the people responsible for acting are in the room, ask their own questions and carry the decisions back into the office.

From recognition to capability

Your advisers answer different questions. Your family has to live with the combined result. The work ahead is to make those answers compatible, fund the response and establish that the people entrusted with it can act.

At the Pleasure of the State is the public argument. The member handbook, Sovereign Risk & Disaster Preparedness: For the Ultra-Wealthy and Their Family Offices, carries the deeper work. The handbook and continuing member discussions examine jurisdiction choices, provider assessment, system configurations, stress scenarios and implementation sequences. The family brings its circumstances and qualified advisers to the work of deciding what to build.

Bring the exposure every adviser assumes somebody else owns. Bring the decision that returns to the agenda and never gets made. Over twelve months, work with me, the member resources, the AI Family Office Masterclasses and families confronting the same questions around the world. Judge the year by better decisions, faster execution, stronger people, clearer purpose, adaptable systems and a family able to carry its own responsibility. Come with the people who will have to act. Build while the choice is still yours.

Epilogue

Be the Founder Again

Somewhere in every great family’s history there is a founder. That person saw something others missed, took risks others refused and moved before certainty arrived. The fortune exists because somebody acted.

Then came the institution: professionals, structures, diversified holdings and procedures. It protected what the founder made. It could also become loyal to the conditions that made the fortune possible, long after those conditions began to change.

Artificial intelligence, geopolitical fragmentation and fiscal pressure are changing what families can build and what they must defend. The family needs people who can question its assumptions, recognize an opening and turn a decision into capability. Capital can fund that work. It cannot supply the judgment.

The next founder may inherit the fortune. The responsibility is to rebuild its capacity to act.

Waiting for the world to become simple is a decision to remain exposed.

The founder in your family did not wait for certainty. That is why there is anything to protect.

Be that person again.

About the Author



Angelo Robles builds operational advantage into family offices. For more than twenty years, he has worked inside the ecosystems of over one hundred billionaire families across four continents. He founded Family Office Association in 2008 and exited in 2023. He is Founder and Chairman of SFO Continuity and founder of Billionaire Mastermind and the AI Family Office Masterclass.

He measures a family office by the quality of its decisions, speed of execution, strength of its people, clarity of purpose, adaptability of its systems and capability of the family.

He began his deep immersion in AI at fifty-nine, without a technical background, and has spent more than two thousand hours building with models, agents, coding tools and owned hardware. He leads in-person masterclasses where families build working capabilities for their own offices.

He is the author of numerous works on family office architecture, AI and continuity, and the creator of the 44-question Continuity Index. He hosts private forums in Palm Beach and New York, FamilyOfficeTV on YouTube at @FamilyOffice, and The Angelo Robles Podcast.

The Body of Work

Members receive the complete library below. Both AI books are updated every thirty days.

Sovereign Risk & Disaster Preparedness: For the Ultra-Wealthy and Their Family Offices. The complete member handbook behind this public book. More than one thousand pages in six parts and fifty-eight chapters, with Family Responses, an accountable action register and the Sovereign Readiness Score.

The AI-Native Single Family Office. Owned intelligence, sovereign infrastructure, institutional memory and decision governance.

10 Things Every Family Office Should Be Doing Now in AI. An implementation guide covering hardware, models, agents, skills and software.

Creating a Top 1% Family Office. How exceptional family offices are built and run.

Billionaire Mastermind: The Psychology and Strategy of Ultra-Wealth Creation. The decisions, leverage, concentration and systems behind extraordinary wealth.

The Family Office Playbook. More than 3,500 questions on governance, investing, risk, people, AI and succession, revealing what a family has thought through and what remains unbuilt.

Available to the public

Should You Have a Family Office? The decision to build or rebuild a family office, and what that institution must make possible. Complimentary, at AngeloRobles.ai.

The Continuity Index. A 44-question diagnostic built on the six capabilities, with an entry path for families that already have an office and one for families that do not. Available at AngeloRobles.ai.

How to Join SFO Continuity

SFO Continuity is for single family office principals, the executives who run their offices and the rising generation who will inherit the responsibility.

Bring your Friday Test to a private membership briefing. We will discuss the weakest answer and the work your family needs to undertake. Begin at AngeloRobles.ai/membership or book the conversation directly below.

Take the interactive Friday Test at SovereignFamilyOffice.ai.

Membership is $10,000 for twelve months. It includes the full member handbook, the member library, direct access to me, the AI Family Office Masterclasses and participation in the community. Work alongside principals and executives navigating these questions across countries and generations. We will promptly arrange an onboarding conversation to establish the family's priorities and where the work should begin.

If you prefer to begin with a broader assessment of your office, take the Continuity Index at AngeloRobles.ai. You can also contact me directly.

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Membership: AngeloRobles.ai/membership

Book a private briefing: calendly.com/angelo-robles/new-meeting

Bring the decision you have been putting off.

Notes and Sources

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85. **U.S. Securities and Exchange Commission.** *Variable Life Insurance*. Investor.gov. Accessed 13 November 2026. Describes policy cash value, surrender charges, loans and contractual consequences. The illustration uses cash value, not a policy's death-benefit face amount.

86. **London Bullion Market Association.** *Precious Metal Accounts*. Accessed 13 November 2026.

87. **London Bullion Market Association.** *London Good Delivery Gold and Silver*. Accessed 13 November 2026.

88. **Gemological Institute of America.** *How Do I Identify Laboratory-Grown Diamonds?*. Accessed 2026-11-13.

89. **De Beers Group.** *Interim Financial Results for 2026*. 2026-07-30.

90. **Adam Rutkowski, Jake Harter and Jason Parisi, Marathon Fusion; arXiv 2507.13461v3.** *Scalable Chrysopoeia via (n, 2n) Reactions Driven by Deuterium Tritium Fusion Neutrons*. 17 July 2025; revised 3 August 2025. Modeled output, isotope mix and cooldown assumptions; this is a research proposal, not a commercial production record.

91. **Gemological Institute of America.** *Man-made Diamonds: Questions and Answers*. 2017-09-22.

92. **Marathon Fusion.** *Marathon Fusion Alchemy*. Accessed 13 November 2026.

93. **Marathon Fusion on X; company-authored thread preserved by Rattibha.** *Company announcement of mercury to gold experiment*. 21 October 2026; archive dated 22 October 2026. An attributed company claim, read through the preserved company-authored thread; not independent verification of industrial output. Archived thread.

94. **U.S. Securities and Exchange Commission.** *Money Market Funds*. Investor.gov. Accessed 13 November 2026. Fund shares are investments, not insured bank deposits. See also 17 C.F.R. § 230.482(b)(4), required risk disclosures concerning sponsor support and the exception for contractual support commitments. Federal Register, 18 November 2024.

95. **Coinbase.** *U.S. User Agreement, §§ 2.7.1–2.7.4*. Accessed 13 November 2026. Illustrates why exchange custody must be read contract by contract: customer title and security entitlements can coexist with the provider's control of keys and withdrawal arrangements.

96. **U.S. Securities and Exchange Commission.** *Crypto Asset Custody Basics for Retail Investors*. Investor.gov, 12 December 2025. Self-custody puts responsibility for private keys, security and recovery on the holder.

97. **U.S. Securities and Exchange Commission.** *Private Funds*. Accessed 13 November 2026. Interests and withdrawal or distribution rights depend on fund structure and governing documents.

CHAPTER 08

98. **United States Department of the Treasury.** *Readout Russian Elites Proxies and Oligarchs Deputies Meeting*. 7 September 2023.

99. **Swiss Federal Council.** *Switzerland Adopts EU Sanctions Against Russia*. 28 February 2022.

100. **Swiss Federal Department of Foreign Affairs.** *Questions and Answers on Switzerland Neutrality*. 9 September 2022.

101. **International Centre for Settlement of Investment Disputes.** *ConocoPhillips v Venezuela ICSID Case ARB 07 30 Award Extract*. Accessed 13 November 2026.

102. **Internal Revenue Service.** *U.S. citizens and resident aliens abroad*. Accessed 13 November 2026.

103. U.S. Treasury Office of Foreign Assets Control. *FAQ 11 Who must comply with OFAC sanctions*. Updated 21 August 2024; accessed 13 November 2026.

104. U.S. Treasury Office of Foreign Assets Control. *A Framework for OFAC Compliance Commitments*. 2 May 2019; accessed 13 November 2026.

105. Bank for International Settlements. *Payments without borders*. Accessed 13 November 2026.

106. Meredith Ringel Morris et al.. *Levels of AGI for Operationalizing Progress on the Path to AGI*. ICML 2024; version 5, September 2025. The paper separates breadth, performance and autonomy. The book states working definitions; no universally accepted AGI threshold or inevitable path to ASI is asserted.

107. I. J. Good. *Speculations Concerning the First Ultraintelligent Machine*. Advances in Computers, volume 6, 1965, printed page 33. Good's intelligence-explosion argument is conditional and includes the need to retain control. The repository date is not the original publication date.

108. Stanford Institute for Human-Centered Artificial Intelligence. *Inside the AI Index: 12 Takeaways from the 2026 Report*. 2026; benchmark snapshot March 2026. Documents U.S.–China frontier-model competition and corporate concentration. A benchmark lead is not comprehensive national dominance; the three outcomes in the text are the author's planning scenarios.

109. NVIDIA. *Saudi Arabia and NVIDIA to Build AI Factories to Power Next Wave of Intelligence for the Age of Reasoning*. 13 May 2025. Describes the announced HUMAIN partnership and planned infrastructure. Announced capacity is not presented as completed deployment; strategic implications are the author's analysis.

110. FS-ISAC. *Cyber Fundamentals; Sheltered Harbor Announces Planned Wind-Down*. Accessed 14 November 2026. Describes encrypted, immutable, air-gapped account-data backups. The current organizational notice says Sheltered Harbor's board approved wind-down and transfer of key assets to FS-ISAC; the specification and supporting documents will be managed through its Resilience Congress. The body describes development of the standard, not an unchanged standalone service. The distinction between restoration and trustworthy reconciliation is the author's engineering application, not a claim that Sheltered Harbor failed. Additional organizational notice: *FS-ISAC Sheltered Harbor notice*.

111. National Institute of Standards and Technology. *Data Integrity: Recovering from Ransomware and Other Destructive Events (SP 1800-11)*. 22 September 2020.

112. International Energy Agency. *Key Questions on Energy and AI: Executive Summary*. 2026; accessed 14 November 2026. Identifies electricity supply, grid connections, chips and capital constraints despite improving efficiency per task. Scenarios concerning labor income, ownership, redistribution and asset repricing are the author's analysis, not a forecast of guaranteed returns or free energy.

CHAPTER 09

113. Microsoft Official Blog Amy Coleman. *Introducing a Voluntary Exit Offer*. 26 October 2026.

114. Reuters syndicated by Investing com. *Microsoft Offers Buyouts to Around 60000 Employees to Contain Costs*. 26 October 2026. The approximate eligibility figure comes from Reuters reporting; it is not a count of completed departures.

115. European Central Bank. *FAQs on the Digital Euro Question 20*. Accessed 13 November 2026.

116. Anthropic. *Redeploying Fable 5*. 30 June 2026 updated 1 July 2026.

CHAPTER 10

117. George J. Stigler. *The Theory of Economic Regulation*. The Bell Journal of Economics and Management Science 2, no. 1 (Spring 1971), pp. 3–5. The discussion of entry restrictions supplies the regulatory-capture mechanism.

118. OECD. *Competition Assessment Toolkit, Volume 2: Guidance, Version 4.0*. 2019, especially pp. 99–103. Entry barriers, grandfather clauses, unequal compliance burdens and prescribed business methods can impair competition and innovation. See also OECD. *Artificial intelligence and competitive dynamics in downstream markets*. 2025. Examines AI's potential to lower entry barriers and the advantages incumbents retain through data, compute and other assets. Reviewed 14 November 2026.

119. Château de Versailles. *Versailles at the Heart of the French Revolution*. Accessed 13 November 2026.

120. Château de Versailles. *Summoning of the Estates General, 1789*. Accessed 13 November 2026.

121. Ministère de la Culture; Archives nationales, via data.gouv.fr. *Individus présumés émigrés pendant la Révolution française (1791–1815)*. Updated 1 October 2026; accessed 13 November 2026.

CHAPTER 11

122. U.S. Geological Survey. *Preliminary Observations of the April 5th, 2024 Mw 4.8 New Jersey Earthquake*. Origin: 5 April 2024, 10:23 a.m. local time, Tewksbury Township, New Jersey. The author's recollection of feeling it in Connecticut is his own account.

123. National Transportation Safety Board. *Contact of Containership Dali with Francis Scott Key Bridge and Subsequent Bridge Collapse*. Investigation DCA24MM031. Event: 26 March 2024, Baltimore, Maryland.

124. **U.S. House Committee on Homeland Security.** *Hearing on CrowdStrike's Defective Software Update*. 24 September 2024. Records the 19 July 2024 outage and effects on Windows devices, flights, hospitals and banks. CrowdStrike's 19 July statement identified a defective update rather than a cyberattack.

125. **ENTSO-E.** *Expert Panel Final Report on the 28 April 2025 Blackout in Spain and Portugal*. Published 20 March 2026. Continental Spain and Portugal experienced the blackout at 12:33 CEST; the investigation identified interacting technical failures.

126. **Microsoft; University of Wisconsin–Milwaukee.** *Microsoft Service Outage: Microsoft 365 Incident Updates*. 12–13 November 2026; incidents EX1550543 and MO1550821. Microsoft's 13 November company statement attributed the disruption to a network-capacity upgrade issue exposed by a later change and said it was not related to cyber activity or AI. The university's local timestamps are not a measure of global duration. Later company record: *Microsoft incident MO1550821, reproduced by the University of Pennsylvania*. Final-status update, 14 November 2026. Recorded interval: 12 November 10:05 UTC to 13 November 16:10 UTC, thirty hours and five minutes. Microsoft's preliminary analysis identified a network-capacity upgrade issue exposed by a later change. The company said it was not related to cyber activity or AI. The full post-incident report remained pending. This is Microsoft's account, not independent forensic confirmation.

127. **Federal Aviation Administration; U.S. Department of Transportation.** *Nationwide Ground Stop*; ATCSCC Advisory 111 (13 November 2026). DOT: *Lifting of Ground Stop* (13 November); *Restoration of Airspace* (14 November). Reopened 8:15 p.m. Eastern Friday; Saturday delays and cancellations continued. Preliminary account: router flooding during copper-to-fiber maintenance; installation error or faulty equipment unresolved. Officials did not believe it was a cyberattack; not a final forensic finding.

128. **NYC Mayor's Office of Food Policy.** *Testimony on Food Infrastructure and the Cost and Quality of Produce*. Kate MacKenzie, 8 April 2025, p. 4. Roughly half the citywide food supply passes through four major bridges and two tunnels. This is a citywide measure, not a Manhattan-only statistic.

129. **NYC Department of Environmental Protection.** *History of New York City's Drinking Water*. Accessed 13 November 2026. The water system draws on upstate watersheds; DEP states that approximately 97 percent reaches homes and businesses by gravity.

130. **NYC Emergency Management.** *Community Emergency Planning in NYC: A Toolkit for Community Leaders*. Power disruption can affect water supply in taller buildings. Building pumps and elevators add dependencies beyond the citywide water system.

131. **U.S.–Canada Power System Outage Task Force.** *Final Report on the August 14, 2003 Blackout: Causes and Recommendations, Chapter 7*. April 2004, p. 104. Historical comparison records the New York City blackout of 13 July 1977 and interruptions lasting up to twenty-six hours.

132. **Center for Brooklyn History.** *1977 Blackout Slide Collection, V2007.042*. Historical note and photographic collection document fires, looting and their aftermath, particularly in Brooklyn and the Bronx.

133. **NATO Secretary General.** *Remarks: Technology in the World*. 23 January 2025.

134. **DOJ, FAA, DHS and FCC.** *Interagency Legal Advisory on UAS Detection and Mitigation Technologies*. 17 August 2020.

135. **Douglas Rushkoff.** *Survival of the Richest*. 2018; author archive accessed 13 November 2026.

136. **FBI Internet Crime Complaint Center.** *Criminals Use Generative Artificial Intelligence to Facilitate Financial Fraud*. 3 December 2024.

137. **National Institute of Standards and Technology.** *Design Tenets for Agent Identity Management Systems*. 27 October 2026.

138. **CPMI–IOSCO; Bank for International Settlements.** *Guidance on Cyber Resilience for Financial Market Infrastructures*. 29 June 2016.

139. **Anthropic.** *Disrupting the First Reported AI-Orchestrated Cyber Espionage Campaign*. 13 November 2025; corrected 14 November 2025. See also National Cyber Security Centre. *Artificial intelligence and cyber intrusion*. 3 November 2026. Its key judgements assess routine state use of AI-enabled cyber operations for geopolitical goals as highly likely by 2028. This is a forecast, not attribution of a particular outage. Reviewed 14 November 2026.

140. **CISA, FBI, NSA and MS-ISAC.** *#StopRansomware Guide*. October 2023.

141. **FEMA / Ready.gov; Centers for Disease Control and Prevention.** *Are You Ready? An In-Depth Guide to Citizen Preparedness*; *How to Create an Emergency Water Supply*. 2021; CDC updated 27 June 2025. FEMA covers essential supplies, clothing and portable kits. CDC recommends at least three days of water and trying to store two weeks. Thirty and sixty days are Angelo Robles's planning targets, not official universal requirements. See also NYC Emergency Management, *Be Ready New York*; EPA, *Power Resilience Guide* (2023), on outages and cascading failures.

CHAPTER 13

142. **Nassim Nicholas Taleb.** *Antifragile: Things That Gain from Disorder*. New York: Random House, 2012, Prologue, pp. 3–5. See also *Understanding Is a Poor Substitute for Convexity (Antifragility)*, 2012, pp. 1–2.

CHAPTER 14

143. **U.S. Department of Energy, Office of Electricity.** *Innovative Solutions to Grid Equipment Shortages*. 26 October 2026. Reports multi-year lead times for power and distribution transformers.

144. **U.S. Department of Commerce, Bureau of Industry and Security.** *Processing DPAS Rated Orders; 15 CFR part 700*. 29 December 2025; 2026 edition, sections 700.3 and 700.14. DPAS covers rated industrial orders within Commerce's delegated scope. Other frameworks govern resources outside that scope. Current regulation: *15 CFR part 700 (2026)*.

145. **Swiss Financial Market Supervisory Authority FINMA.** *Authorisation Requirements for Banks*. Accessed 2026-11-13.

146. **Basel Committee on Banking Supervision, Bank for International Settlements.** *Core Principles for Effective Banking Supervision: Principles 20 and 24*. 2024-04-25.

147. **National Association of Insurance Commissioners.** *Captive Insurance Companies*. 2026-01-05.

148. **Berkshire Hathaway Inc.** *2025 Form 10-K: Insurance Investments and Float*. 2026-02-28.

149. **Vermont General Assembly.** *Title 8, Chapter 141: Captive Insurance Companies*. Current text accessed 2026-11-13.

150. **National Association of Insurance Commissioners.** *Reinsurance*. 2025-10-24.

151. **Bitcoin.org.** *Securing Your Wallet*. Accessed 13 November 2026. Explains private-key security, backups and inheritance. Portability does not remove the need for access, recovery and usable payment channels. Additional arrangement context: **Bitcoin.org.** *Securing your wallet*. Covers offline signing, backups, hardware wallets, multisignature approvals and succession. A family can control a single-signer wallet or all signing keys in a multisignature arrangement. The appropriate design depends on people, threats and demonstrated recovery. Reviewed 14 November 2026.

152. **Bitcoin Improvement Proposals.** *BIP 39: Mnemonic code for generating deterministic keys*. The mnemonic encodes computer-generated randomness. It is not a user-invented sentence. Recovery depends on compatible wallet information and any additional passphrase. Memorability is a portability property, not a complete inheritance or security design. Additional arrangement context: **Bitcoin Improvement Proposals.** *BIP 39: Mnemonic code for generating deterministic keys*. A recovery phrase encodes properly generated randomness in memorable words. It is not a user-invented sentence or password. Compatible recovery also depends on the wallet scheme and any additional passphrase. Memorization is a portability capability, not a substitute for durable family recovery. Reviewed 14 November 2026.

153. **Bitcoin.org.** *Protect Your Privacy*. Accessed 13 November 2026. Bitcoin transactions are public and permanent; addresses do not guarantee anonymity.

154. **Monero Project.** *Frequently Asked Questions*. Accessed 13 November 2026. Describes privacy protections applied to ordinary Monero transactions; these do not eliminate device, identity or conversion-channel risks. Additional arrangement context: **Monero Project.** *FAQ: mandatory transaction privacy*. Monero's transaction privacy is mandatory on its network. Device compromise, disclosed identity, custody and market access remain separate exposures. Reviewed 14 November 2026.

155. **Zcash.** *What Is the Difference Between Shielded and Transparent Zcash?*. Accessed 13 November 2026. Zcash supports transparent and shielded transaction arrangements.

156. **Kraken.** *Support for Monero (XMR) in Europe*. Official notice: XMR trading and deposits stopped for EEA clients on 31 October 2024. This is a specific venue and jurisdiction restriction, not a claim of universal delisting.

157. **European Parliament and Council.** *Regulation (EU) 2024/1624, Articles 79 and 90*. 31 May 2024. Article 79 concerns anonymous or transaction-obscuring accounts at covered institutions and crypto-asset service providers. Article 90 sets general application from 10 July 2027. The provision is not a blanket prohibition on private cryptoasset possession.

158. **Bitcoin Improvement Proposals.** *BIP 87: Hierarchy for Deterministic Multisig Wallets*. Explains multisignature wallet configuration and the public-key information required to reconstruct the wallet. Inheritance rehearsal is the author's practical application. Reviewed 14 November 2026. Additional arrangement context: **Bitcoin Improvement Proposals.** *BIP 87: Hierarchy for Deterministic Multisig Wallets*. Explains multisignature wallet configuration and the public-key information required to reconstruct the wallet. Inheritance rehearsal is the author's practical application. Reviewed 14 November 2026.

159. **South Dakota Legislature / Banking Commission.** *Administrative Rule 20:07:22:03 — Private trust company defined*. Effective 30 June 2010; accessed 13 November 2026.

160. **Delaware General Assembly.** *Delaware Limited Liability Company Act, § 18-106*. Powers and purposes of an LLC. See also Delaware General Corporation Law, 8 Del. C. § 122, concerning corporate powers to hold and deal in property. These are illustrative legal forms, not a recommendation that every family use Delaware.

161. **Liechtenstein Office of Justice, Commercial Register.** *Factsheet concerning the foundation*. July 2026; accessed 13 November 2026. Additional arrangement context: **Liechtenstein Office of Justice.** *Factsheet concerning the foundation, July 2026*. A foundation is a separate legal entity with specified purposes, beneficiaries and council administration. Its legal existence does not guarantee protection from creditors or recognition in every country. The family's residence, control and asset locations require separate examination.

162. Government of Luxembourg, Guichet.lu. *Determining the taxable income of capital companies*. Official treatment of income and participations held by capital companies. The foundation and company example illustrates a division of functions; it does not establish a tax outcome for a particular family.

163. United States Court of Appeals for the Fifth Circuit. *Rost v. United States, No. 21-51064*. 11 August 2022. The court treated the Liechtenstein foundation as a foreign trust for U.S. reporting and affirmed judgment for the government in the penalty-refund action.

164. Internal Revenue Service. *Expatriation Tax*. Accessed 13 November 2026.

165. U.S. Supreme Court; Johns Hopkins Center for Gun Violence Solutions; ATF; U.S. Customs and Border Protection. *District of Columbia v. Heller, 554 U.S. 570 (2008)*; *Public Carry Model Policy Guide (April 2026)*; *Traveling with Firearms*; *Traveling with firearms: departure and return requirements*. Heller recognizes an individual right including lawful self-defense in the home. The Johns Hopkins inventory records twenty-nine permitless-carry states as of March 2026; eligibility and restrictions remain jurisdiction-specific. International carriage requires examination of export, import and transit rules. The position on property, freedom and concentrated power is the author's.

166. Consulate General of Japan in New York. *Important Guidance on Japan's Border Control Measures Related to COVID-19: For Entrants from the United States (updated 3 April 2020)*. The denial of entry covered foreign nationals who had been in designated countries or regions during the preceding 14 days, unless exceptional circumstances applied. Ordinary permanent residents who left Japan on or after 3 April were covered. Specified residents who departed before that date with re-entry permission were generally excepted; Special Permanent Residents were exempt. Japanese nationals were subject to separate testing and quarantine measures. This is a dated example, not a description of current entry rules.

167. Australian Government, Federal Register of Legislation. *Biosecurity (Human Biosecurity Emergency) (Human Coronavirus with Pandemic Potential) (Overseas Travel Ban Emergency Requirements) Determination 2020*. Made 25 March 2020, sections 5–7. Australian citizens and permanent residents could not leave Australian territory as passengers on outgoing aircraft or vessels unless an automatic or individually granted exemption applied. General exemptions included people ordinarily resident overseas, crew and specified freight or official travel. The example concerns emergency departure rules in 2020, not current travel restrictions.

168. OECD; U.S. Internal Revenue Service. *AEOI monitoring and United States FATCA context*; *International tax-information exchange*; *U.S. tax residence*; *Form 5472 instructions*. Reviewed 14 November 2026. The U.S. uses a distinct information-exchange framework; nonparticipation in CRS is not absence of exchange or reporting. Income-tax residence and taxable source are separate tests. Form 5472 treatment depends on the entity and reportable transactions.

169. **Swiss Financial Market Supervisory Authority; Federal Department of Finance.** *Deposits and segregated client assets*; *Lump-sum taxation*. *Geneva residence conditions*. Reviewed 14 November 2026. Custody, residence permission and qualifying tax treatment are separate functions. Expenditure-based taxation applies to specified foreign nationals not gainfully employed in Switzerland; cantonal rules differ. Additional arrangement context: **Swiss custody distinction.** *Official guidance and current context*. FINMA distinguishes segregated securities in custody from cash deposits. This is asset-law treatment, not a residence permission. Additional arrangement context: **Swiss third-country residence.** *Official guidance and current context*. Geneva official conditions for third-country residence without gainful activity. Avoid applying EU/EFTA rules to all families.

170. **Singapore Economic Development Board; Immigration & Checkpoints Authority.** *Single-family office setup guide*; *Adult dual citizenship*. Reviewed 14 November 2026. EDB distinguishes mandate, entity, banking and team. ICA states that adult Singapore citizens may not hold dual citizenship. An operating-office role is not a citizenship recommendation. Additional arrangement context: **Singapore operating SFO guide.** *Official guidance and current context*. EDB setup guidance covers mandate, entity, bank accounts, board, executive team, local administrator. Additional arrangement context: **Singapore adult dual citizenship.** *Official guidance and current context*. ICA explicitly prohibits adult dual citizenship.

171. **Immigration New Zealand; Canada Revenue Agency; Canada Mortgage and Housing Corporation.** *Active Investor Plus Visa*; *Dispositions of property for emigrants*; *Residential-property purchase prohibition and exceptions*. Reviewed 14 November 2026. Residence programs have eligibility and continuing conditions. Canadian departure deemed-disposition rules and purchase restrictions have material exceptions.

172. **Uruguay DGI; Chile SERMIG; Argentina Ministry of Economy; Banco Central del Paraguay.** *2026 incoming-resident tax election*; *Chilean permanent residence*; *Argentina citizenship-program announcement* (2 October 2026); *Ueno Bank resolution* (3 November 2026). The Argentina announcement anticipated fourth-quarter intake; a live intake channel was not established by this review. BCP reported a November 2 resolution decision after Ueno's solvency ratio fell below half the required minimum. This was an institution-specific measure, not a finding that Paraguay's whole banking system had failed. Additional arrangement context: **Chile permanent residence.** *Official guidance and current context*. SERMIG permits qualifying temporary residents to seek permanent residence and lawful activities. Not automatic citizenship. Additional arrangement context: **Argentina investment-citizenship announcement.** *Official guidance and current context*. Official October 2 announcement says intake planned during Q4 2026. No primary operational intake channel or opening date located. Do not assert open or unavailable; verify before relying on it.

173. **St. Kitts and Nevis Citizenship by Investment Unit; Nevis Financial Services Regulatory Commission.** *Citizenship application process*; *Nevis trusts*. Reviewed 14 November 2026. Citizenship requires the applicable authorization and due diligence. A trust is a distinct legal arrangement. Maritime, transport and medical capabilities are separate planning requirements, not benefits promised by either process. Additional arrangement context: **St Kitts and Nevis citizenship.** *Official guidance and current context*. Government CIU: authorized agent, eligibility, due diligence, approval stages; dual citizenship allowed subject to original nationality rules. Additional arrangement context: **Nevis trusts.** *Official guidance and current context*. Nevis regulator outlines trust formation, registered agent and beneficial ownership information obligations. Separate structural function from citizenship.

174. **UAE Federal Authority for Identity, Citizenship, Customs and Port Security; Italian Chamber of Deputies; U.S. Internal Revenue Service.** *Golden Residency*; *Taxation of individuals*; *Publication 570*. Reviewed 14 November 2026. The UAE permission is residence. Italian incoming-resident tax provisions depend on eligibility and applicable law. Puerto Rico treatment requires analysis of bona fide residence, income source and federal rules; incentives do not exempt every form of income. Additional arrangement context: **Internal Revenue Service; U.S. Congress.** *Publication 570, §933 and the Puerto Rico resident-investor compliance campaign*; *26 U.S.C. §933*; *IRS active compliance campaigns*. Bona fide residence depends on presence, tax home and closer connection. Section 933 generally excludes qualifying Puerto Rico-source income for bona fide residents; citizenship is not surrendered. Pre-move appreciation and income source have special rules. The IRS campaign examines residence and misclassification of U.S.-source income. Additional arrangement context: **UAE Golden Residency.** *Official guidance and current context*. ICP describes long-term residence permissions, not citizenship.

175. **Multilateral Investment Guarantee Agency, World Bank Group.** *Political Risk Insurance*. Accessed 13 November 2026.

176. **LM Studio.** *Welcome to LM Studio Docs*. Accessed 13 November 2026.

177. **LM Studio.** *System Requirements*. Accessed 13 November 2026.

178. **LM Studio.** *Offline Operation*. Accessed 13 November 2026. Additional arrangement context: **LM Studio.** *Offline operation*. Local model inference and local document work after the required files are installed.

179. **ggml-org.** *llama.cpp documentation*. Local inference across CPU and GPU hardware; quantization reduces memory requirements and can change performance. Suitability must be tested on the intended tasks. Reviewed 14 November 2026.

180. **Ollama.** *Local FAQ*. Accessed 13 November 2026. Additional arrangement context: **Ollama.** *Local operation and cloud controls*. Local-only configuration and the difference between local and cloud model use.

181. **Nous Research.** *Hermes Agent: Local Models and provider documentation*. Supports locally hosted models and tool-using agents. External tools, services or information sources can still introduce network dependencies. Examples in the text are author-designed family-office uses, not promises of autonomous correctness. Reviewed 14 November 2026. *Provider configuration*. Additional arrangement context: **Nous Research.** *Hermes Agent: Local Models and provider documentation*; *Provider configuration*. Supports locally hosted models and tool-using agents. External tools, services or information sources can still introduce network dependencies. Examples in the text are author-designed family-office uses, not promises of autonomous correctness. Reviewed 14 November 2026.

182. **National Institute of Standards and Technology.** *Artificial Intelligence Risk Management Framework Generative Artificial Intelligence Profile NIST AI 600-1*. July 2024. Additional arrangement context: **NIST.** *Generative AI Risk Management Profile*. Confabulation, privacy, security and human oversight in consequential uses.

183. **South Dakota Legislature.** *Directed trustees and trust duration*. Chapter 55-1B allocates fiduciary functions; section 43-5-8 abolishes the common-law rule against perpetuities. A directed trust is not automatically a self-settled asset-protection trust. Reviewed 14 November 2026. *SDCL 43-5-8*. Additional arrangement context: **South Dakota, Wyoming and Nevada legislatures.** *Trust duration and directed-trust statutes*; *South Dakota directed trusts*; *Wyoming §34-1-139*; *Wyoming directed trusts, §4-10-718*; *Nevada NRS 111.1031*; *Nevada directed trusts*. South Dakota abolishes the common-law rule against perpetuities; separate alienability requirements still apply. Qualifying Wyoming trusts can last up to 1,000 years, with distinct treatment of direct real-property interests. Nevada's statutory alternative is 365 years. Directed-trust laws allocate specified fiduciary functions; they do not erase responsibility.

184. **Internal Revenue Service.** *Foreign trust reporting requirements and tax consequences*. Sections 671–679 and 6048 govern relevant ownership, taxation and reporting. Foreign trust status does not itself eliminate a U.S. person's tax. Reviewed 14 November 2026. Additional arrangement context: **Internal Revenue Service.** *Foreign trust reporting requirements and tax consequences*. Sections 671–679 and 6048 govern relevant ownership, taxation and reporting. Foreign trust status does not itself eliminate a U.S. person's tax. Reviewed 14 November 2026.

185. **Florida Legislature.** *Florida Constitution, article X, section 4*. Homestead acreage, ownership, residence and creditor exceptions. The $40 million residence is an illustration, not a reported client asset. Reviewed 14 November 2026. Additional arrangement context: **Florida Senate; Florida Department of Revenue.** *Constitution, Article X §4; Tax Information for New Residents*; *Florida tax information*. Florida imposes no individual state income tax. Homestead creditor protection has acreage, ownership and debt exceptions; taxes, mortgages, improvements and federal bankruptcy limits still matter. A declaration of domicile alone does not settle another jurisdiction's residence claim. Physical proximity does not guarantee an open border or available transport.

186. **London Bullion Market Association.** *Clearing and allocated accounts*. Distinguishes ownership of specific allocated bars from unallocated creditor exposure. Zurich, Singapore and a home reserve illustrate a design; jurisdictional separation does not guarantee independent performance. Reviewed 14 November 2026. *OTC guide FAQ*. Additional arrangement context: **London Bullion Market Association.** *Clearing and allocated accounts*; *OTC guide FAQ*. Distinguishes ownership of specific allocated bars from unallocated creditor exposure. Zurich, Singapore and a home reserve illustrate a design; jurisdictional separation does not guarantee independent performance. Reviewed 14 November 2026.

187. **Bitcoin Core.** *Support for Output Descriptors in Bitcoin Core*. Describes multisignature thresholds and wallet scripts. The three-country arrangement is illustrative; two signatures remain sufficient regardless of borders. Reviewed 14 November 2026. Additional arrangement context: **Bitcoin Core.** *Support for Output Descriptors in Bitcoin Core*. Describes single-key and multisignature wallet scripts and the information needed to identify wallet outputs. The signing threshold is a design choice, not a claim of immunity from loss, coercion or legal obligations. Reviewed 14 November 2026.

188. **Lineage, Inc..** *2025 Form 10-K*. Filed 2026. Describes storage contracts, committed capacity and dependencies including energy, occupancy and transport. The family ownership sketch is illustrative and carries no guaranteed income or priority. Additional arrangement context: **Lineage, Inc..** *2025 Form 10-K*. Filed 2026. Describes storage contracts, committed capacity and dependencies including energy, occupancy and transport. The family ownership sketch is illustrative and carries no guaranteed income or priority.

189. **U.S. Congress.** *49 U.S.C. sections 11101 and 11123*. Reasonable contract commitments coexist with common-carrier duties. Emergency authorities permit specified traffic and service priorities. Reviewed 14 November 2026. *Section 11123*. Additional arrangement context: **U.S. Congress.** *49 U.S.C. sections 11101 and 11123*; *Section 11123*. Reasonable contract commitments coexist with common-carrier duties. Emergency authorities permit specified traffic and service priorities. Reviewed 14 November 2026.

190. **U.S. Court of Appeals for the District of Columbia Circuit.** *Doraleh Container Terminal SA v. Republic of Djibouti, No. 23-7023*. 30 July 2024, pp. 3–4 and 20. Recounts the 2018 seizure and subsequent nationalization of the government-affiliated shareholder's two-thirds stake. DP World held one-third and contractual control rights. Additional arrangement context: **U.S. Court of Appeals for the District of Columbia Circuit.** *Doraleh Container Terminal SA v. Republic of Djibouti, No. 23-7023*. 30 July 2024, pp. 3–4 and 20. Recounts the 2018 seizure and subsequent nationalization of the government-affiliated shareholder's two-thirds stake. DP World held one-third and contractual control rights.

191. **South Dakota Division of Banking; Wyoming Legislature; Nevada Legislature.** *Private and family trust company regimes*; *Wyoming Title 13, articles 6–7*; *Nevada NRS 669A.110*. A private trust company serves as trustee; it does not make the trust assets its own beneficial property. South Dakota's chartered regime, Wyoming's supervised and unsupervised family-company paths, and Nevada's licensed or unlicensed paths differ. Family involvement remains subject to fiduciary duties, tax rules and the governing instruments.

192. **Government of Luxembourg.** *Special limited partnership (SCSp)*. The SCSp is one possible investment vehicle, with management and partner rights governed by the partnership agreement. The pairing shown is illustrative. Luxembourg and Liechtenstein do not have exclusive roles. Reviewed 14 November 2026.

193. **South Dakota, Wyoming and Nevada legislatures.** *Trust court records and confidentiality*; *Wyoming §4-10-205*; *Nevada NRS 164.041*; *Nevada family trust company petitions*. South Dakota seals trust court files with specified access; Wyoming seals specified trust filings. Nevada permits confidential material to be redacted or sealed and provides a petition route. These are different protections, not a universal promise of secret proceedings.

194. **Puerto Rico Office of Management and Budget / Department of Economic Development and Commerce.** *Act 60, as amended through Act 38-2026, §§2022.01–2022.02*. The official May 2026 compilation distinguishes applications filed by 31 December 2026 from those filed on or after 1 January 2027. For the earlier group, qualifying post-residence appreciation recognized before 2036 can be exempt from Puerto Rico income tax. For the later group, the statute provides a preferential 4% rate on eligible post-residence appreciation recognized before 2056, subject to any more favorable applicable treatment. Decree eligibility and continuing compliance remain essential. This is Puerto Rico tax treatment; federal source and residence rules are a separate test.

195. **U.S. Congress; South Dakota, Wyoming and Nevada legislatures.** *Creditor claims, transfer timing and federal bankruptcy reach*; *South Dakota §55-16-10*; *Wyoming §34-14-210*; *Nevada NRS 166.170*. State creditor deadlines depend on the transfer, claim, notice and discovery rules. Federal §548(e) can reach qualifying self-settled transfers within ten years when made with actual intent to hinder, delay or defraud a creditor. A short state limitation period is not a blanket safe harbor.

196. **U.S. Congress; European Commission.** *Controlled foreign corporation and company rules*; *EU Anti-Tax Avoidance Directive*. CFC rules are not unique to Luxembourg or Liechtenstein. U.S. controlled foreign corporation rules and EU controlled foreign company rules have different scope and mechanics. The four-location framework is an organizing approach, not a substitute for determining each family member's residence, domicile, citizenship, control and reporting obligations. Reviewed 14 November 2026.

197. **UK Home Office and OFSI.** *Independent sanctions designations*. EU listings do not automatically become UK designations. Political alignment can create correlated exposure; it does not make citizenship, entry rights or sanctions regimes legally identical.

198. U.S. Department of State. *Dual nationality*. Countries may apply their own nationality rules and obligations to dual citizens. A second citizenship is not a universal departure or consular-protection guarantee. Residence, citizenship and tax residence are separate questions. Reviewed 14 November 2026.

199. UK Home Office. *Tier 1 Investor visa route closes over security concerns*. The UK closed this route to new applications on 17 February 2022. It illustrates that routes can change; it is not a recommendation of a current program. Qualifying conditions and continuing obligations must be verified for the family's chosen route.

200. Angelo Robles. At the Pleasure of the State: mobility and usable alternatives. The international-presence framework is the author's practical application: compare shared dependencies, actual authority and the ability to operate. Businesses, local relationships and purposeful foundations are potential components, not guarantees of entry, influence, tax treatment or immunity. Reviewed 14 November 2026.

201. Japan Ministry of Foreign Affairs and Australia Department of Home Affairs. *Pandemic entry and departure restrictions, 2020*; *Japan: conditional re-entry from September 2020*; *Australia Home Affairs: outbound exemptions*; *Japan: April 3 consular guidance on border controls*; *Australia: original March 25 determination, sections 5–7*. Japan's restrictions depended on travel history, departure date and residence category. Exceptions applied, Special Permanent Residents were excluded, and conditional resident re-entry resumed on 1 September 2020. Australia's outbound restriction covered citizens and permanent residents, with automatic and individually granted exemptions. The restrictions did not themselves revoke residence status.

202. Marathon Fusion. *Scalable Chrysopoeia via (n, 2n) Reactions Driven by Deuterium-Tritium Fusion Neutrons*; *Company research overview*. The 2025 paper models mercury-to-gold transmutation using neutronics simulations. Modeled yields and company research claims are not a demonstrated commercial supply curve. Future costs, scale and delivery remain questions to monitor; this is not a prediction about the price of gold. Reviewed 14 November 2026.

203. COLDCARD. *Multisig features and recovery preparation*. Preserve the wallet policy, derivation paths, fingerprints and the required keys and passphrases. The documentation calls for recovery testing before funding. Independent signing authority is only useful when the family can recover and operate the arrangement. Reviewed 14 November 2026.

204. Zcash. *Shielded and transparent transactions*. Zcash supports both shielded and transparent transactions. Privacy depends on the transaction and wallet features used; transparent activity remains publicly visible. This is a design distinction, not a promise of anonymity. Reviewed 14 November 2026.

205. Angelo Robles. At the Pleasure of the State: ownership, capacity and access. The public book distinguishes ownership, negotiated rights, contracted capacity and relationships. The examples here apply that framework to aviation, maritime transport, logistics and essential systems. Actual rights, operating permissions and availability require examination of the arrangement.

206. U.S. Department of Energy. *Large Power Transformer Resilience Report to Congress, July 2024*. Explains long manufacturing lead times, transport constraints, specialized components and skilled-labor dependencies. Large transformers are often custom-built and not interchangeable. The investment and service examples apply the dependency framework; ownership alone does not make the required part or crew available.

207. U.S. Bureau of Industry and Security. *Defense Priorities and Allocations System*. Title I of the Defense Production Act authorizes priority performance and allocation of covered materials, services and facilities. The system reaches private suppliers and subcontractors. Smaller size or lower visibility does not create immunity from emergency direction; the examples are operating arrangements, not guarantees of preferential access.

208. Anthropic. *June 2026 access suspension and restoration*; *Restoration timeline*. On 12 June 2026, Anthropic suspended Fable 5 and Mythos 5 after an export-control directive. Global Fable 5 access returned on 1 July. Some U.S. organizations regained Mythos access earlier, following 26 June approval. This demonstrates hosted-access dependence; it does not establish that every local model equals a frontier model or that all local users were unaffected.

209. New Zealand investment/business residence. *Official guidance and current context*. Distinguishes Active Investor Plus residence visa and business-investor work-to-residence pathway. No automatic citizenship; omit thresholds.

210. Nevis companies. *Official guidance and current context*. Regulator confirms LLC/IBC categories and licensed trust/corporate service provider requirements.

211. Argentina citizenship statute. *Official guidance and current context*. Current displayed Law 346 includes legal continuous residence naturalization and relevant-investment route. Published wording requires uninterrupted physical presence for ordinary route. Eligibility and legal position require current review.

CHAPTER 16

212. Internal Revenue Service. *Life cycle of a private foundation — Inurement/Private benefit*. n.d.; accessed 13 November 2026.

213. Internal Revenue Service. *Acts of self-dealing by private foundation*. n.d.; accessed 13 November 2026.

CHAPTER 18

214. Angelo Robles. *SFO Continuity Membership*. Accessed 13 November 2026.

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Page references identify the discussions in this edition. Related entries point to different parts of the same dependency.

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