“My Word Digital Identity is my Bond”
A Global Digital Identity Clearing House to underpin Global Commerce-
The UK’s unique role in a changing and unsettled world

Building upon Regulation & core competences
Governance & Operational Risk Management in a world of ubiquitous networks and evolving technologies
Spanning Public & Private Sector, Industry verticals & Nationstate Borders

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THE CONTEXT...... GALLS LAW

- “A complex system that works is invariably found to have evolved from a simple system that worked.
- The Inverse also appears to be true, a complex system designed from scratch invariably never works, and cannot be made to work”

Quote from John Gall “Systemantics: How Systems Really Work and How They Fail”

Consider the evolution of a cheque clearing system, and the Visa/MasterCard schemes.

A Trusted distributed digital identity/trust model sits as the foundation stone of commerce and trade, and hence prosperity/economic growth both locally and globally.
SO WHAT DO WE MEAN BY “TRUST” IN THE GLOBAL INTERNET ERA?

- Having **absolute certainty** of who you are interacting with
- Being able to check/validate in real time, that this is, indeed, the case
- Knowing who **guarantees** the identity of that Individual (or soon to be, Thing)
- Being a **real name**, not just a number
- Having **complete trust** to act on their instructions
- Having a **transparent audit trail** of who accessed what, and when-via MDLT
- Seeing eID as a key component to **limiting liability** and **external exposures** - Trust and Liability are interdependent/inseparable
- **THUS LEAVING LAW ENFORCEMENT** & related Government resource to focus on the Bad Guys locally and globally
An established Trust & Assurance Role should be leveraged once again— not just in Payments at the back end…

**Because Online Trust is essential at each stage of a transaction cycle**

Why is this subject of such significance to businesses, to governments, citizens... & to their banks esp now that Brexit compels a global approach?

Here is a typical transaction flow:
BUT, TO BE OF REAL VALUE, THERE MUST BE UPFRONT CLARITY ON TWO DISTINCT ISSUES

1. What aspects of underlying Identity will be managed?

   - Policy
   - Legal & Liability
   - Operations
   - Tech

2. Who will be covered by the Trust Model?

   - Multiple Communities of Interest
     - Multiple legal jurisdictions
   - Community of Interest
   - Internal

Level of Effort/Complexity
BACK TO GALLS LAW……THE MODEL IS EVOLUTIONARY.
THINK OF 1970’S CREATION OF VISA OR MASTERCARD AS SCHEMES FOR CARD PAYMENTS, OR CHEQUE CLEARING RULES FROM 1770…..

Card Issuer ↔ Card Authorization

Card Holder ↔ Merchant

Certificate Issuer ↔ Certificate Validation

Certificate Holder ↔ Relying Party

Trusted Transactions
Powered by Credit Card Associations,
e.g. VISA, MasterCard, etc.

Trusted Identities
Via a Trust Network

A 3rd party enabler manages the Network, uses established standards, ensures compliance
A COMMON LAW BASED CONTRACTUAL LEGAL FRAMEWORK -

- **Liability and Recourse Among All Parties**
  - Operating Rules bind all players
  - Customer Agreements bind customers to contractual liability limitations

- **Legal Recognition of Digital Signatures**
  - Contract Formation Electronically
    - Signed “online certificate status protocol” validation assures every Relying Party is bound to a customer agreement
    - Legal effect of digital signatures authenticated by those validated certificates provided by contract, globally

- **Dispute Resolution over Signature Validity**
  - Dispute Resolution Procedures provide private forum (London Court of Arbitrage)

- **Technical Standards**
  - Ensures compatibility across the Network
  - Reduces cost through vendor competition for standard component elements

Global Legal Interoperability is possible only in a Contractual System governing ...

- **Subscribing Customer**
  - The “Subject”
  - Customer Agreement

- **Relying Customer**
  - The “Inquisitor”
  - Customer Agreement

- **Issuing Participant**
  - Using IDchainZ, or an interoperable technology

- **Relying Participant**
  - Using IDchainZ, or an interoperable technology

- **Root**
  - Simply authenticates each Participant to each other;
  - The “Subject” & “Inquisitor” liabilities & entitlements are Determined by Customer Agreements (which will contain the minimum “scheme level” requirements but are thereafter negotiable between Participant & Customer
OR SEEN ANOTHER WAY, ... EACH USABLE INDEPENDENTLY OR AS PART OF A BROADER INTERCONNECTED TRANSACTION STRUCTURE

Identity – Validation – Liability Management
Global interoperability – Legal enforceability under Contract Law
All needed for truly trusted Commerce and citizen interactions
GLOBAL BRITAIN, GLOBAL TRUST……
A GLOBAL DIGITAL IDENTITY CLEARING HOUSE

A FOUNDATION STONE FOR DIGITAL CURRENCIES AND THE ASSOCIATED STRUCTURAL IMPLICATIONS OF MUTUALLY DISTRIBUTED LEDGER TECHNOLOGIES

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