

Insights



Daniel Saval on Crypto Bankruptcies

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In a U.S. Securities and Exchange Commission (SEC) filing a few months ago, Coinbase warned that customers could lose their crypto assets if the exchange went bankrupt. Voyager's bankruptcy filing this week will test the question raised by Coinbase's warning: what will happen to customers' crypto if the company holding it goes under? Kobre & Kim's Daniel Saval provides his insight in a *Protocol* FinTech newsletter.

As Voyager reported over 100,000 creditors in its bankruptcy filing, customers will each have to fight for their share of what's available, Mr. Saval explained. This means that it will be up to customers to move quickly to assert their claim, which could include seeking membership on an official creditors committee.

Due to the current state of the crypto space, Mr. Saval went on to warn that "it is certainly a good time for customers to read the fine print of their user agreements."

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