Digital Assets in Family Law

For Presentation at the National Family Law Program Conference July 2026

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Introduction

We are pleased to present on the intersection of digital assets and family law at this conference. We approached the National Family Law Program because we have both witnessed the rapid growth in digital asset ownership and the corresponding need for family law practitioners to build a solid foundational understanding of these assets.

Globally, approximately 560 million people now own cryptocurrency, representing roughly 7%-10% of the world's population, with adoption continuing to climb. In Canada, ownership stands at approximately 10%-11%, meaning hundreds of thousands of individuals hold digital assets that may form part of family property.[1]

Our goal is to equip you with a clear understanding of blockchain technology and digital assets. By demystifying these tools, we hope to help you better identify, value, and protect your clients' interests in an evolving financial landscape.

This paper introduces core blockchain concepts, defines common digital assets (such as cryptocurrencies, stablecoins, and NFTs), and outlines practical methods for discovering and tracing them.

This paper also examines recent Canadian case law illustrating how courts have treated digital assets in a family law context. It offers practical guidance on their inclusion in financial disclosure and property division, including options for division and tax considerations.

We hope this paper is helpful in your family law practice.

Please note that some citations for pages 1-20, 33 and 34 are grouped in footnotes 8, 9 10, and 12.

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[1] Shubham Singh, "Global Crypto Adoption Stats 2026 (By Country Data)" (5 February 2026), online: <www.demandsage.com/crypto-adoption-statistics/>.

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Introduction to Blockchain and Cryptocurrency

Blockchain is a **distributed ledger (peer-to-peer) technology**. It operates as a distributed network that maintains unalterable records of transactions between parties, with each transaction stored in a digital "block." Multiple blocks are linked together chronologically to form the blockchain. Transactions on the blockchain are validated through a **consensus mechanism** among participating nodes in the network, ensuring security and agreement without the need for a central authority.

This innovative technology was first introduced in 2008 by the pseudonymous Satoshi Nakamoto and implemented in January 2009 with the launch of **Bitcoin**, the world's first cryptocurrency. Bitcoin served as the initial practical application of blockchain, demonstrating how the technology could enable secure, peer-to-peer electronic transfers of value without traditional financial intermediaries. Since then, the cryptocurrency market has grown into a global ecosystem with thousands of digital assets, a total market capitalization exceeding $2.3 trillion (as of June 2026), and widespread institutional and retail participation.

In Canada, adoption has grown significantly. As of 2023, roughly 10% of the population reported owning Bitcoin, driven by clearer regulatory guidance, user-friendly fintech platforms, and increasing institutional participation.[2]

As Bitcoin was the first application of blockchain technology, we will use it here to review fundamentals.

The system was deliberately designed to function without reliance on centralized institutions such as banks or governments. It achieves this through **blockchain technology** – a **distributed ledger** that records all transactions transparently and immutably across a global network of computers. This shared memory ensures that no single entity controls the ledger and that all participants maintain an identical copy of the transaction history. This creates trust and verifiability without the need for intermediaries. The Bitcoin network itself consists of thousands of computers (called nodes) that maintain the blockchain, validate transactions, and enforce the protocol's rules.

How Blockchain Works

Transactions on the Bitcoin network are not recorded individually in real time. Instead, they are grouped together into **blocks**, like batches or pages in a ledger. Each block contains a list of recent transfers, a timestamp, and a unique cryptographic fingerprint (created using a process called SHA-256 hashing) that links it securely to the previous block. This creates a **continuous "chain" of blocks, hence the name blockchain**.

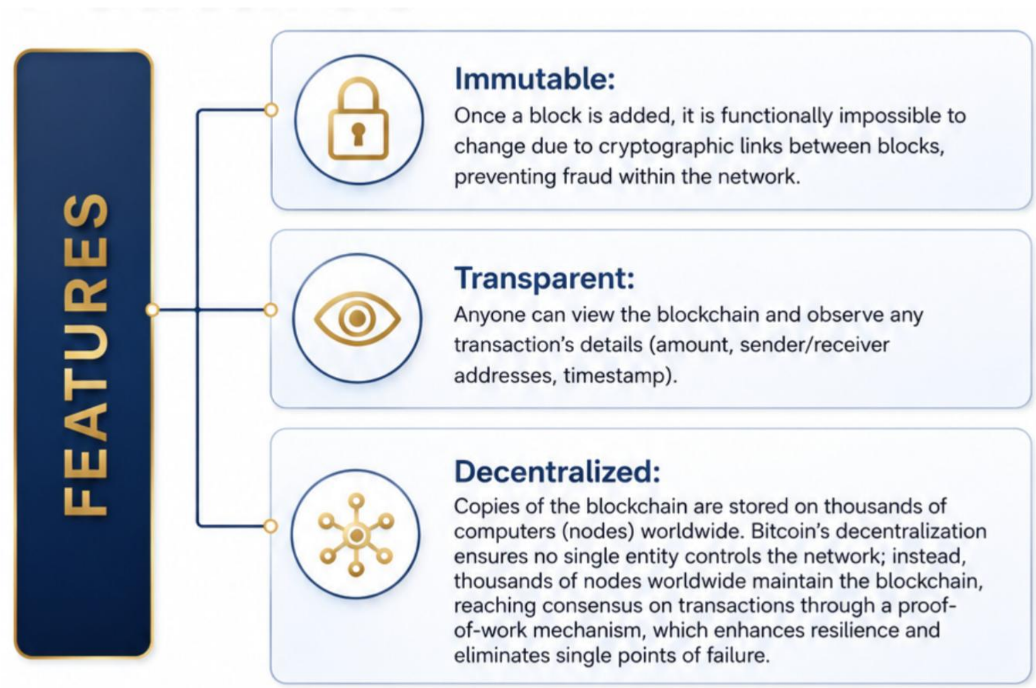
New blocks are added to the chain approximately every 10 minutes through a **process called**

[2] Daniela Balutel et al, *Canadian Bitcoin Ownership in 2023: Key Takeaways* (Canada: Bank of Canada, 2025).

mining. During mining, specialized computers on the network compete to solve complex mathematical puzzles. The first miner to solve the puzzle adds the new block and is rewarded with newly created Bitcoin. This competitive process helps secure the network and controls the rate at which new Bitcoin is introduced.

Once a block is added, it becomes extremely difficult to alter. Changing even a single transaction in an old block would require redoing the mining work (proof-of-work) for that block and every block that follows it – a task that would demand enormous computing power and energy, making it practically impossible. This gives Bitcoin its most important feature: **immutability**. The record is permanent.

Think of the blockchain as a **public, shared spreadsheet** that thousands of people maintain simultaneously. Anyone can look at the entire history of transactions, but no one can go back and secretly change past entries. When someone buys or sells Bitcoin, the transaction is broadcast to the network, checked for validity by participating computers, and then permanently added to the blockchain for everyone to see.



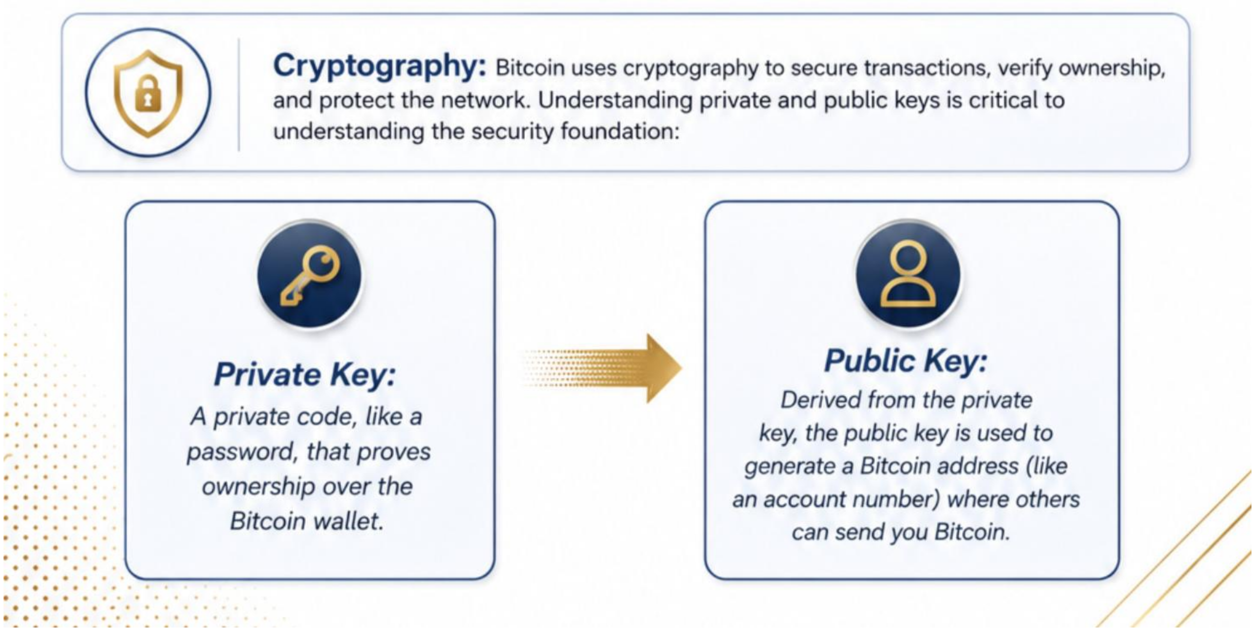
The Network

Cryptography ensures that only the legitimate owner can authorize Bitcoin transfers and that recorded transactions remain tamper-proof. Behind this security lies a global peer-to-peer network of computers (nodes) that collectively maintain the blockchain, validate each transaction, and enforce protocol rules. **Full nodes** store and verify the entire blockchain and check each incoming block and transaction against consensus rules, such as the prohibition on double-spending. A subset of these nodes, known as **mining nodes**, competes to add new blocks by solving cryptographic puzzles. As there is no central server, nodes communicate directly with one another, ensuring that if any single node fails or goes offline, the network as a whole remains secure and operational.

Because the network is fully decentralized, it is highly resilient. If some nodes go offline, are attacked, or even try to act nefariously, the rest of the network continues operating normally. No single point of failure exists. This decentralized structure is what allows Bitcoin to function without banks or governments, but it also means there is no central customer service department to call if something goes wrong – another important consideration in family law disputes involving lost or disputed assets.

Cryptography and Keys

Bitcoin relies heavily on advanced cryptography to keep the system secure and to verify ownership. At the heart of this are **public keys** and **private keys**, which work together like a digital lock and key system.



Every user has a **private key** – a long, secret string of characters that should not be shared (we have provided some examples of safeguards that could be used if disclosure was required in a family law proceeding). This private key is used to create a digital signature whenever Bitcoin is sent, proving the sender is the rightful owner. The corresponding **public key** (usually shown as a wallet address) is safe to share. It allows the network to verify the digital signature without ever seeing or needing the private key. See Johnathan's example in **Schedule C** for an example of what a public address looks like.

A helpful analogy is a locked mailbox: the public key is like the street address where people can send mail (Bitcoin), while the private key is the physical key that only the owner uses to open the mailbox and retrieve what's inside.

Bitcoin uses the SHA-256 cryptographic function to create unique, fixed-length digital fingerprints (hashes) for everything from transactions to entire blocks. Even the smallest change to a document or transaction produces a completely different hash, making tampering obvious. These hashes are what securely link each block to the one before it, forming the unbreakable chain.

The person who controls the private key effectively controls the assets.

Wallets and Asset Control

Users interact with their assets through **digital wallets**, which come in two primary forms: custodial and non-custodial.

Self-Custody (Non-Custodial) wallets give the user sole control over their private keys and assets. These include software wallets (such as MetaMask), mobile applications, and hardware wallets (such as Ledger or Trezor). See Kevin's example in **Schedule B** for some images of what hardware wallets look like. Non-custodial wallets are protected by a **seed phrase** (also called a recovery phrase). This phrase is a series of 12 to 24 randomly generated words that serve as the master backup; anyone who obtains it can fully access and transfer the funds.

Custodial wallets are provided by centralized platforms such as exchanges (e.g., Coinbase, Wealthsimple Crypto).[3] In these wallets, a third party holds the private keys on behalf of the user. While convenient and user-friendly, this arrangement means the platform ultimately controls access to the assets. **Schedules B** and **C** have some screenshot examples of Coinbase and Wealth Simple crypto website interfaces.

Smart Contracts

Smart contracts are **self-executing** programs that automatically perform, control, or document actions when predetermined conditions are met. Written in code, they operate on "if-then" logic, reducing the need for intermediaries. Once deployed, they are transparent and immutable.

NFTs

Non-Fungible Tokens (NFTs) are unique digital identifiers recorded on a blockchain that certify ownership and authenticity of a specific asset. Unlike fungible cryptocurrencies such as Bitcoin or Ethereum—where each unit is interchangeable—NFTs are non-interchangeable, with each token containing distinct metadata and a unique identifier. Many NFTs incorporate smart contracts that govern transferability and automatically pay royalties to the original creator on secondary sales.

[3] This paper is not endorsing any crypto exchange, self-custody wallet, service or website. We have used common examples for illustrative purposes only.

NFTs exist as units of data on decentralized ledgers (most commonly Ethereum, but also other chains like Solana or Polygon). This provides a transparent, immutable record of ownership history and transactions.

An NFT typically links to (but does not necessarily contain) a digital item such as artwork, music, video, virtual real estate, collectibles, or in-game items. They can also represent physical assets (e.g., real-world art or property deeds) or rights. Purchasing an NFT generally conveys ownership of the token itself and proof of authenticity, but **does not automatically transfer copyright or intellectual property rights** in the underlying asset unless the smart contract or accompanying agreement explicitly provides for it.

Stablecoins

Stablecoins are cryptocurrencies designed to maintain a steady, 1:1 value with a real-world asset. These digital assets are designed to maintain a relatively stable value, typically by being pegged to a fiat currency or a basket of assets, or through algorithmic mechanisms. Unlike volatile cryptocurrencies such as Bitcoin or Ethereum, stablecoins aim to minimize price fluctuations, making them useful for trading, remittances, payments, and as a bridge between traditional finance and the crypto ecosystem. Stablecoins provide liquidity in decentralized finance (DeFi), facilitate fast cross-border transfers, and serve as a low-volatility store of value during market turbulence.

Most major stablecoins (e.g., Tether (USDT) and USD Coin (USDC)) are fiat-collateralized, backed by reserves of the reference currency held by the issuer. Other types include crypto-collateralized (over-collateralized with other digital assets) or algorithmic (which use smart contracts to adjust supply).

Issuers are increasingly subject to regulatory oversight. In Canada, the federal *Stablecoin Act* (Bill C-15, enacted 2026) establishes a framework for fiat-backed stablecoins, requiring 1:1 reserves, redemption policies, and governance standards (full implementation expected in 2027).[4]

Staking

Staking is the process of committing (or “locking”) cryptocurrency holdings to support the operations of a blockchain network, typically in proof-of-stake (PoS) consensus mechanisms. In return, stakers earn rewards, usually paid in additional tokens. It serves as an alternative to

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[4] Bill C-15, *An Act to Implement Certain Provisions of the Budget Tabled in Parliament on November 4, 2025,* 1st Sess, 45th Parl, 2025, cl 45 (assented to 26 March 2026) SC 2026, c 3; Department of Finance Canada, News Release, “Legislation Passes to Implement Budget 2025” (26 March 2026), online: <www.canada.ca/en/department-finance/news/2026/03/legislation-passes-to-implement-budget-2025-canada-strong.html>.

proof-of-work mining and allows participants to generate passive income from their digital asset holdings.

Staking income is considered income from property (like a yield). Stakers typically receive regular rewards (often expressed as an annual percentage yield or APY). Staking can occur directly on-chain via smart contracts, through custodial platforms/exchanges, or via liquid staking derivatives that allow users to maintain liquidity while earning rewards.

Custody of Digital Assets in Canada

In family law matters, understanding how digital assets are held is critical. Custody arrangements directly affect control, accessibility, traceability, risk of loss, disclosure obligations, and how assets are ultimately divided. As discussed previously, digital assets can be held in either custodial or non-custodial (self-custody) wallets. Each carries distinct implications for ownership, security, and legal proceedings.

Self-Custody (Non-Custodial Wallets)

With self-custody, the individual retains full control of their private keys and there is no intermediary holding the assets. Common tools include hardware wallets (such as Ledger or Trezor), software wallets (such as MetaMask), and more advanced multi-signature setups that require approval from multiple keys before a transaction can occur.

Self-custody offers maximum control and privacy. Assets are not exposed to risks such as exchange hacks or platform insolvency. Many experienced crypto holders prefer this approach for larger or long-term holdings, often keeping them in “cold storage” (completely offline) for enhanced security.

However, self-custody presents notable challenges in family law. The owner is solely responsible for securely managing seed phrases and private keys. If these access codes are lost, access to the assets is permanently lost: there is no bank or platform to reset credentials. In disputes, locating and valuing hidden, forgotten, or poorly documented wallets can be difficult.

Custodial Solutions (Third-Party Custody)

In custodial arrangements, a regulated platform or dedicated custodian holds the private keys on behalf of the client. This is the most common approach for retail Canadian investors due to its convenience.

Regulated Canadian Crypto Trading Platforms (CTPs)

Most Canadians hold crypto through platforms registered with the Canadian Securities Administrators (CSA) and overseen by CIRO, such as Wealthsimple Crypto, Bitbuy, Shakepay, Newton, and Coinbase Canada. These platforms must follow strict custody rules, generally maintaining an 80/20 split between cold storage and hot wallets (Canadian Securities Administrators).

Dedicated Crypto Custodians

Many platforms partner with specialized custodians, including Tetra Trust (Calgary) and approved international custodians such as Gemini Trust Company or BitGo.

Institutional and Advanced Options

High-net-worth individuals and family offices often engage specialized crypto brokers or prime brokerage services. These providers typically offer enhanced solutions that include multi-party computation (MPC), multi-signature technology, dedicated segregated accounts, and significantly higher insurance limits. Such arrangements provide greater security, operational flexibility, and professional oversight suitable for larger portfolios.

Despite the availability of licensed Canadian platforms (e.g., Shakepay, Newton, NDAX), nearly half of crypto asset owners continue to store their digital assets directly on trading and exchange platforms rather than in more secure offline hardware wallets.[5]

Family Law Considerations

In a family law matter, control of custody of digital assets is important to understand and address, particularly in the case of self-custody wallets. A party who controls the private key to a self-custody wallet effectively controls the assets.

Consequently, the disclosure of private keys or seed phrases is often central to issues of asset control, tracing, and division.

Loss or concealment of these keys can result in permanent inaccessibility of assets, which may require courts to issue orders compelling their disclosure under appropriate safeguards. Please note that lawyers should not hold seed phrases or private keys: “If you hold a client’s seed

[5] Ontario Securities Commission, *Crypto-Asset Survey 2023* (Ontario: Ontario Securities Commission, 2023).

phrase and the assets are lost, hacked, or you are negligent, you may face a claim for the full value of the assets – permanently and irreversibly. There is no insurance that fully covers this."[6]

Some more appropriate ways to safely store the private key or seed phrase could be a safety deposit box or with a professional custodial service.[7]

Requesting public wallet addresses early in the discovery process offers a practical and less intrusive starting point. These addresses enable anyone to view the complete transaction history on the public blockchain. For instance, a Bitcoin address can be entered into Blockchain.com or Blockchair, while an Ethereum address can be reviewed on Etherscan.io to reveal transaction history, token holdings, connected contracts, and related wallet activity. Even a single address can provide significant insights through (sometimes simple) forensic analysis, often uncovering additional wallets, transaction patterns, and the overall scope of holdings.

In practice, request all public wallet addresses in and details of custody arrangements at a file's outset. For self-custodied assets, proof of holdings can typically be verified through public blockchain explorers. Custodial accounts are generally easier to access or restrain through court orders, while self-custodied assets often require the owner's cooperation or detailed forensic tracing.[8]

Crypto Market Overview (as of June 3, 2026)

Globally, approximately 560 million people now own cryptocurrency, representing roughly 7%-10% of the world's population, with adoption continuing to climb. In Canada, ownership stands at approximately 10%-11%, meaning hundreds of thousands of individuals hold digital assets that may form part of family property.

The global cryptocurrency market has matured into a substantial asset class, demonstrating both resilience and cyclical volatility. As of June 3, 2026, there are approximately 17,380 cryptocurrencies traded across roughly 1,480 exchanges. The total market capitalization stands at approximately $2.35-$2.40 trillion, supported by a robust 24-hour trading volume of $180-$220 billion. For context, this remains significantly smaller than the global foreign exchange (Forex) market, which maintains an average daily volume of approximately $7.5 trillion.

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[6] See Geoff Costeloe, "The Law of Cryptocurrency, A primer for BC Family Lawyers" (9 April 2026) [unpublished, archived at Courthouse Libraries BC]. Please note that an account with FLO is required to see the publication, online: <https://www.courthouselibrary.ca/our-programs/lawbster/family-law-organizer>.

[7] *Ibid*.

[8] Works Cited in above section: Canadian Securities Administrators, "Crypto Platforms Authorized to Do Business with Canadians" (10 April 2026), online: <www.securities-administrators.ca/crypto-platforms-regulation-and-enforcement-actions/crypto-platforms-authorized-to-do-business-with-canadians/>; Suzanne Lasrado, "Notice on CIRO's Digital Asset Custody Framework" (3 February 2026), online: <www.ciro.ca/newsroom/publications/notice-ciros-digital-asset-custody-framework>; Tetra Trust, "Tetra Trust Chosen by Wealthsimple to Custody Digital Assets" (21 May 2025), online: <tetratrust.com/tetra-trust-chosen-by-wealthsimple-to-custody-digital-assets/>.

Leading Cryptocurrencies by Market Capitalization

The largest cryptocurrencies by market capitalization as of June 3, 2026, are:

1. Bitcoin (BTC) – approximately $1.33-$1.34 trillion
2. Ethereum (ETH) – approximately $224-$230 billion
3. Tether (USDT) – approximately $188 billion
4. BNB (BNB)
5. XRP (XRP)

Bitcoin continues to lead the market as the original and most established cryptocurrency. Often referred to as “digital gold,” it functions as a store of value and inflation hedge, with a current market capitalization of approximately **$1.33-$1.34 trillion** and a market dominance of **55.9%-57%**. Its position reflects strong institutional adoption, including through exchange-traded funds (ETFs), and its role as the foundational asset in the crypto ecosystem.

Ethereum ranks second, serving as a leading smart contract platform that powers decentralized finance (DeFi), non-fungible tokens (NFTs), and a wide range of decentralized applications. Its market capitalization is approximately **$225-$230 billion**. Ethereum’s utility extends beyond simple value transfer, enabling programmable blockchain functionality that underpins much of the broader crypto economy.

Stablecoins have gained notable prominence in recent years, reflecting their critical role in providing liquidity and stability within the volatile crypto market. **Tether (USDT)**, the largest stablecoin, pegged to the U.S. dollar, holds a market capitalization of approximately **$188 billion** and ranks among the top three cryptocurrencies overall. Other stablecoins, such as **USDC**, further contribute to this segment, which collectively accounts for over 13% of the total crypto market capitalization. The growing presence of stablecoins highlights their use for trading, remittances, and as a bridge between traditional finance and crypto markets, reducing exposure to price swings while facilitating efficient capital movement.

BNB (the native token of the BNB Chain and Binance ecosystem) and **XRP** (designed for fast cross-border payments) round out the top five, each serving distinct utility functions within their respective networks. These assets illustrate the diversification of the crypto market beyond pure store-of-value plays into practical applications in payments, decentralized exchanges, and ecosystem infrastructure.

Beyond Bitcoin: Altcoins, DeFi, and NFTs

While Bitcoin remains the cornerstone of the cryptocurrency market, a significant portion of market activity and innovation occurs in **altcoins** (alternative coins to Bitcoin). These include established platforms such as Ethereum, Solana, and Avalanche, which offer enhanced functionality, faster transaction speeds, or specialized use cases. Altcoins often exhibit higher volatility than Bitcoin but also provide exposure to technological advancements in blockchain infrastructure.

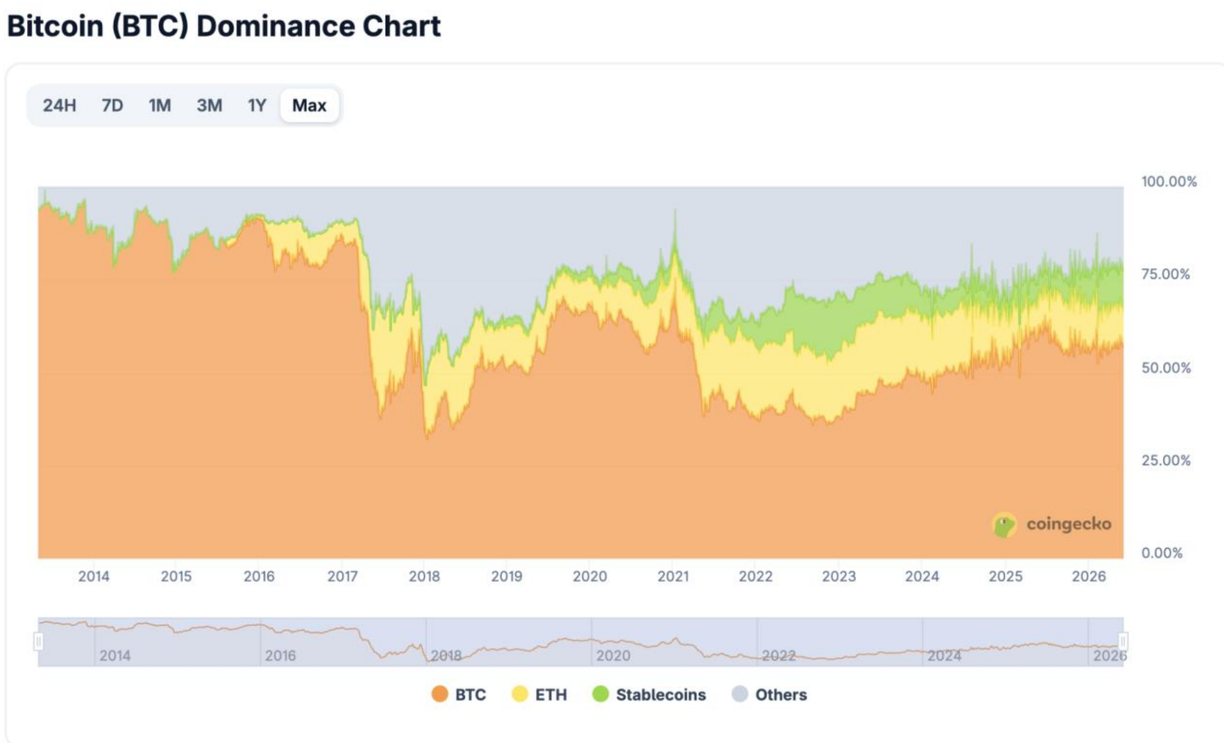
Decentralized Finance (DeFi) represents one of the most significant developments built primarily on Ethereum and compatible Layer-1 and Layer-2 networks. DeFi refers to financial services (such as lending, borrowing, trading, and yield generation) delivered through smart contracts without traditional intermediaries. Total value locked (TVL) in DeFi protocols remains substantial, though it is subject to rapid shifts due to market conditions and protocol-specific risks. For Canadian investors, DeFi participation introduces additional complexities around custody, smart contract risk, and regulatory classification.

Non-Fungible Tokens (NFTs) and related digital collectibles have also become notable holdings. Unlike fungible cryptocurrencies, NFTs represent unique digital assets, commonly used for digital art, music, virtual real estate, and in-game items. While the NFT market has cooled considerably from its 2021-2022 peak, it continues to see activity, particularly in gaming and creator economy applications. Valuation of NFTs is highly subjective and often more challenging than fungible tokens due to their unique nature and relatively thin liquidity.

In the context of family law proceedings, these asset classes present distinct challenges. Altcoins, DeFi positions, and NFTs frequently require specialized valuation expertise, detailed wallet and smart contract analysis, and careful tracing of transaction histories. Their higher risk profiles and potential for rapid value changes underscore the importance of comprehensive disclosure and professional forensic support.

Bitcoin Dominance Over Time

While still commanding over half the market, it has moderated as altcoins and especially stablecoins expand their footprint. This shift signals increasing market maturity, with capital flowing into assets offering specific utilities or stability.



In the context of family law proceedings, these dynamics underscore both the significant potential value in cryptocurrency holdings and the need for knowledge, careful valuation and tracing, given the market's size, volatility, and evolving composition.[9]

Canadian Ownership & Regulatory Overview

Retail Participation

Retail ownership of Bitcoin in Canada has stabilized and shows modest growth. According to the Bank of Canada's Bitcoin Omnibus Survey, approximately 10% of Canadians held Bitcoin in

[9] Works cited in above section: CoinGecko, "Global Cryptocurrency Market Cap Charts" (last visited 3 June 2026), online: <www.coingecko.com/en/charts>; Farran Powell, "Top 10 Cryptocurrencies Of June 3, 2026" (10 June 2026), online: <www.forbes.com/advisor/investing/cryptocurrency/top-10-cryptocurrencies/>; CoinMarketCap, "Bitcoin Dominance" (last visited 3 June 2026), online: <https://coinmarketcap.com/charts/bitcoin-dominance/>.

2023, with projections for 2025 estimating ownership in the range of 11%-12%, or roughly 4.5 million individuals. Nearly 70% of Bitcoin owners also hold altcoins (indicating diversification among crypto holders).

Ownership is skewed toward younger, educated, males. Here are the demographics:

- Roughly 59% of owners fall between the ages of 24 and 44, with Millennials and Gen Z leading both awareness and transaction volumes. Ownership drops off significantly among older Canadians.
- A prominent gender gap exists. Men are substantially more likely to own digital assets than women (approximately 67% of owners are male).
- Crypto asset holders are disproportionately more likely to have attained a university degree and be employed full-time, with a high concentration belonging to households earning over $100,000 CAD annually. (Ontario Securities Commission).

Public interest remains resilient despite volatility. Surveys by the Ontario Securities Commission have shown consistent intent to purchase crypto assets, with rebounds in ownership following price recoveries. Direct ownership appeals particularly to younger, tech-savvy individuals who value control and technical engagement, while exchange-traded funds (ETFs) offer more accessible and lower-risk exposure for broader retail investors. *(**Author expects new surveys will show more adoption in the older generation through ETFs and other custodies institutional investments.)*

Institutional and Bank Participation

Institutional adoption has grown steadily. In 2023, 39% of Canadian investors held crypto assets (up from 31% in 2021), with further increases anticipated. Family offices and hedge funds have been particularly active, citing improved custody solutions and regulatory clarity.

Canadian financial institutions have gained exposure primarily through regulated products rather than direct holdings. The Big Six banks (BMO, TD, RBC, Scotiabank, CIBC, and National Bank) have reported holdings in U.S. Bitcoin ETFs to the U.S. Securities and Exchange Commission, with combined exposure in the tens of millions of U.S. dollars as of late 2024. Banks generally facilitate client access to Canadian Bitcoin ETFs—such as Purpose Bitcoin ETF (BTCC), CI Galaxy Bitcoin ETF (BTCX), Evolve Bitcoin ETF (EBIT), and 3iQ CoinShares Bitcoin ETF (BTCQ)—which trade on the Toronto Stock Exchange (TSX). These ETFs may be held within registered accounts such as TFSAs and RRSPs, reflecting their acceptance as legitimate long-term investment vehicles.

Canadian Regulatory Framework

Canada maintains a mature and comprehensive regulatory regime for crypto assets, balancing innovation with investor protection and financial stability. This framework is highly relevant in family law contexts, as it influences the legitimacy, traceability, and reporting requirements of Bitcoin and related investments.

Key regulatory bodies include:

- **Office of the Superintendent of Financial Institutions (OSFI)**: Regulates federally regulated financial institutions (banks and insurers). OSFI's *Capital and Liquidity Treatment of Crypto-asset Exposures* guidelines, effective fiscal Q1 2026, classify Bitcoin and similar volatile crypto assets as Group 2 assets. These require full capital backing equal to the exposure value, making direct Bitcoin holdings on bank balance sheets costly and uncommon. Institutions are instead directed toward regulated ETFs and securities, which attract lower capital requirements. OSFI also mandates enhanced disclosure of crypto exposures for systemically important banks.
- **Financial Transactions and Reports Analysis Centre of Canada (FINTRAC)**: Administers anti-money laundering (AML) and know-your-customer (KYC) obligations under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*. Crypto exchanges and virtual asset service providers must register as Money Service Businesses, report large virtual currency transactions (CAD $10,000+), and comply with the Travel Rule for information sharing on transfers. These requirements support transparency and traceability of crypto flows, which can assist in family law disclosure and tracing exercises.
- **Canadian Securities Administrators (CSA)**: Coordinates provincial securities regulation. Canada was an early adopter of Bitcoin ETFs, approving them in February 2021. These products (e.g., Purpose Bitcoin ETF) are regulated as securities under National Instrument 81-102, providing investor protections including custody standards, disclosure, and liquidity. The CSA's guidance on crypto trading platforms (Staff Notices 21-329 and 21-332) requires registration, client asset segregation, and pre-registration undertakings for platforms, enhancing market integrity.
- **Investment Industry Regulatory Organization of Canada (IIROC)**: Oversees investment dealers and trading platforms. It works with the CSA to ensure dealer proficiency, suitability assessments, and client protections when offering crypto ETFs or related products.

Overall, Canada's "regulation by engagement" approach has fostered a relatively stable and transparent environment compared to many jurisdictions. High capital charges for direct crypto holdings by banks, combined with strong AML/KYC rules and clear securities oversight, encourage investment through regulated channels such as ETFs rather than direct, self-custodied assets. This structure generally supports better record-keeping and valuation data.[10]

[10] Works cited in above section: Summarizing the Bitcoin Omnibus Survey results see Balutel et al, *supra* note 2; Balutel et al, supra note 2 ("Bitcoin Ownership in Canada Stable at 10% in 2023" at 2); Referenced in multiple reports for the 39$ institutional holding statistic see KPMG, "Navigating the Institutional Adoption of Cryptoassets" (April 2023), online (pdf): <https://assets.kpmg.com/content/dam/kpmg/ca/pdf/2023/03/ca-navigating-institutional-adoption-of-cryptoassets-en.pdf>; 2022 survey data on purchase intent see Ontario Securities Commission, News

Accounting & Valuations

Accounting for Digital Assets under IFRS and ASPE

Digital assets such as cryptocurrencies do not have dedicated accounting standards under either International Financial Reporting Standards (IFRS) or Accounting Standards for Private Enterprises (ASPE) in Canada. Their accounting treatment is determined by applying existing standards based on the nature, purpose, and business model under which the assets are held.

Accounting under IFRS

Under IFRS, the primary guidance remains the 2019 IFRS Interpretations Committee Agenda Decision. Cryptocurrencies generally do not meet the definition of cash, cash equivalents, or financial instruments under IFRS 9. They are generally considered Inventory or Intangible assets:

- **Inventory (IAS 2)**: Applies when digital assets are held for sale in the ordinary course of business (e.g., by commodity broker-traders). They are measured at the **lower of cost and net realizable value**, with an option for broker-traders to measure at fair value less costs to sell (International Accounting Standards Board).
- **Intangible Assets (IAS 38)**: The default classification for most holdings. Cryptocurrencies are treated as indefinite-lived intangible assets and are typically measured using the **cost model** (cost less accumulated impairment losses). The revaluation model is permitted only if an active market exists (International Accounting Standards Board).

Release “OSC survey explores Canadians crypto ownership and knowledge” (19 October 2022), online: https://www.osc.ca/en/news-events/news/osc-survey-explores-canadians-crypto-ownership-and-knowledge>; Office of the Superintendent of Financial Institutions, “Capital Liquidity Treatment of Crypto-asset Exposures (Banking) – Guideline (2026)” (20 February 2025), online: <https://www.osfi-bsif.gc.ca/en/guidance/guidance-library/capital-liquidity-treatment-crypto-asset-exposures-banking-guideline-2026>; Canadian Securities Administrators and Investment Industry Regulatory Organization of Canada, “Joint Canadian Securities Administrators/investment Industry Regulatory Organization of Canada Staff Notice 21-329 Guidance for Crypto-Asset Trading Platforms: Compliance with Regulatory Requirements” (29 March 2021), online: <https://www.osc.ca/en/securities-law/instruments-rules-policies/2/21-329/joint-canadian-securities-administratorsinvestment-industry-regulatory-organization-canada-staff>; Canadian Securities Administrators, “CSA Staff Notice 21-332: Crypto Asset Trading Platforms: Pre-Registration Undertakings – Changes to Enhance Canadian Investor Protection” (22 February 2023), online: <www.osc.ca/en/securities-law/instruments-rules-policies/2/21-332/csa-staff-notice-21-332-crypto-asset-trading-platforms-pre-registration-undertakings-changes>;
Financial Transactions and Reports Analysis Centre of Canada, “Travel Rule for Electronic Funds and Virtual Currency Transfers” (1 June 2021), online: <*fintrac-canafe.gc.ca/guidance-directives/transaction-operation/travel-acheminement/1-eng*>.

Impairment testing under IAS 36 is required whenever indicators of impairment exist, which is common given crypto market volatility.

Accounting Under ASPE

For private enterprises in Canada applying ASPE, digital assets are generally accounted for under Section 3064 *Intangible Assets* or Section 3031 *Inventories*:

- Digital assets are typically classified as **intangible assets** and measured at **cost less accumulated amortization and impairment** (Chartered Professional Accountants of Canada).
- Unlike IFRS, ASPE does not permit the revaluation model. Amortization is applied only if the asset has a finite useful life; most cryptocurrencies are treated as indefinite-lived.
- If held for resale in the normal course of business, they may qualify as inventory.

Accepted Valuation Principles and Fair Market Value (FMV)

Generally, in family law proceedings, the relevant starting point for consideration of assets is the **Fair Market Value**[11]—the highest price obtainable in an open and unrestricted market between knowledgeable, informed, and prudent parties acting at arm's length.

Valuation follows the fair value hierarchy established in IFRS 13 *Fair Value Measurement* (which also informs best practices under ASPE):

- Level 1 Inputs: Quoted prices in active markets for identical assets (e.g., Bitcoin prices on major exchanges or TSX-listed Bitcoin ETFs) - the most reliable.
- Level 2 Inputs: Observable inputs other than Level 1 (e.g., quoted prices for similar assets).
- Level 3 Inputs: Unobservable inputs requiring significant judgment (e.g., illiquid altcoins or NFTs).

Review of Public Company Financial statements show that digital assets can have all three level ratings, showing the variety in reliability for various holdings. BTC is regularly recorded as a Level 1 while less liquid altcoins or NFTs are more likely to fall into Level 2 or Level 3. As BTC is regularly quoted on open markets, insufficient evidence of valuation arguments should decrease. For altcoins the price may vary over time, but users can look to exchanges to find fair market value of the tokens.

[11] See e.g. *Family Law Act,* SBC 2011, c 25, s 87.

Common Valuation Approaches

- **Market Approach**: Most frequently used, referencing observable trading prices on the principal (most liquid) market. See **Schedule D** for some examples of publicly available trading prices.
- **Income Approach**: Discounted future cash flows (particularly relevant for staking or utility tokens).
- **Cost Approach**: Rarely applied except for recently acquired assets.

Valuation Risks in Family Law Context

Valuation of digital assets carries material risks that require careful consideration:

- **High Volatility Risk**: Prices can change dramatically between the date of separation and settlement.
- **Liquidity Risk**: Large positions may not be liquidated at quoted prices without significant discounts.
- **Custody and Title Risk**: Questions of control over self-custodied wallets versus exchange-held assets.
- **Regulatory and Technological Risk**: Potential impact from regulatory changes, hard forks, or network issues.
- **Marketability Discounts**: May be appropriate for illiquid or restricted holdings.

In family law proceedings, particularly those with high value digital assets, it is strongly recommended to obtain a formal valuation report from a qualified Chartered Business Valuator (CBV) with expertise in digital assets. Courts may require multiple valuation dates or contractual adjustment mechanisms to address post-valuation price movements.[12]

[12] Works cited in above section: Chartered Professional Accountants of Canada (CPA Canada), *Accounting Standards for Private Enterprises (ASPE)* (Canada: Chartered Professional Accountants of Canada, 2026) at section 3064: Intangible Assets; International Accounting Standards Board, “IAS 38 Intangible Assets” (2026)
International Accounting Standards Board, “IAS 2 Inventories” (2026); International Accounting Standards Board, “IFRS 13 Fair Value Measurement” (2026); International Financial Reporting Interpretations Committee (IFRIC), “*Agenda Decision – Holdings of Cryptocurrencies*. IFRS Foundation” (June 2019.…

Case Law in Canada: Introduction

Canadian case law addressing digital assets in family law remains at an early stage.[13] Reported decisions are limited, and many address crypto currency only tangentially. Three recurring themes emerge: **non-disclosure**, **imperfect evidence**, and **insufficient evidence of value**. These issues are not unique to digital assets, they mirror challenges frequently seen with traditional assets. In many reported cases, the relatively modest value of the crypto holdings may have contributed to limited judicial focus and incomplete evidentiary records[14].

To date, no reported decisions address niche assets such as NFTs and governance tokens. One case mentions crypto mining, but not with analysis of valuation or as an income stream. As such, this paper focuses on more conventional cryptocurrencies.

Case Law in Canada: Non-Disclosure and Imperfect Evidence

Family lawyers in Canada are aware that nondisclosure is metaphorically described as the cancer of family law.[15]

In reviewing the reported judgments, some of the reasons given for non-disclosure of digital assets read as farcical with parties claiming to be unaware of their disclosure obligations or details of their own assets.

Three examples of this can be seen below.[16]

Example One—I didn't know I had to disclose:

> "Below, I have discussed the respondent's investment in crypto assets in March and June 2023 which he did not report on his 2023 financial statement. I do not believe the respondent when he says he has lost these investments; he provided no documentation concerning his purchases assets or the losses that may have resulted.
>
> He said he did not know whether his crypto investment was in Bitcoin or

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[13] See Schedule A with reported decisions reviewed for this paper. Case law was reviewed up to April 20, 2026. The earliest reported decisions are from 2019.

[14] See e.g. *SD v SA,* 2025 BCSC 835, ("value of bitcoin for division was under $2,000.00" at para 223); *Turabi v Nabi*, 2025 BCSC 48, ("value of bitcoin determined to be $7,244.72" at para 197); *Li v Cheng*, 2024 ABKB 716, ("MOGO bitcoin account established for $5.00 with the hope of getting access to research. Husband gave evidence he thought it never achieved $10.00 in value" at para 198).

[15] *Cunha v. Cunha,* BCSC 3195 at para 9; cited in *Leskun v Leskun*, 2006 SCC 25 at para 34.

[16] See also *Kostrinsky v Nasri*, 2022 ONSC 2926 at para 163.

> Ethereum. He said he invested to make money and “she took my money and fled”. He said [he] communicated with this person he dealt with for about one year. This response is obviously untrue because records show he bought his crypto currencies in May and June 2023, only five months before the trial started.
> …
> In cross-examination, the respondent disclosed that he had invested in crypto currencies through an individual who advised him on purchases. He said he did not disclose his crypto holdings because he said he “did not know if I had to”. He said he does not know if he has a crypto wallet and did not know the individual who took his investment but believes he has lost that money.”[17]

Example Two—I lost the money but have no records:

> “…The respondent’s evidence was that he was not very good at trading cryptocurrencies, that some of the exchanges he invested money in went bankrupt, and that eventually all the money invested in such currencies was lost. However, there was no documentary support for this – other than one document showing that as of late 2020 one account had a near-zero balance.”[18]

Example Three—I faked it for a podcast:

> “With respect to the cryptocurrency assets the Mother alleges the Father concealed from her prior to the execution of the Minutes, the evidentiary record is thin. The Mother relies on podcast interviews where the father describes his partnership interest in a Metaverse corporation, Nata$World, and that he had been a[n] cryptocurrency investor for two years, which she alleges existed prior to the execution of the Minutes and which she did not know about. The Father denies that he held any significant cryptocurrency assets and that Nata$World was a pilot project that was not successful. However, he did not disclose his interest in the business or his cryptocurrency investments.”[19]

Hypothetical comparison to traditional assets

To highlight the unreasonableness of these nondisclosure scenarios, imagine that we are considering a stock portfolio at one of the Big Six banks in Canada and a party claiming in their evidence:

> “I didn’t know that I had to disclose my RBC investment account. I gave my money to someone at the bank, and I didn’t know their name. I think some of the companies that the person invested in went bankrupt. One of my Amazon shares was stolen from my investment account, but I don’t know by whom and I don’t have any records. Sure, I made Youtube videos about my investing success. In reality I wasn’t successful and the money that was not stolen was lost. I only have one document, and it shows a zero balance for my RBC account.”

We would likely conclude the deponent unreliable, evasive and had far more records than they were proffering in the court process.

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[17] *AKK v ASK,* 2024 BCSC 1237 at paras 63—54, 126 [AKK] [emphasis in original].
[18] *MW v NLMW*, 2021 BCSC 1273 at para 335 [MW] [emphasis in original].
[19] *Carvalho v Couto,* 2023 ONSC 4975 at para 28 [emphasis in original].

What Are the Courts Doing?

Meaningful ways the courts have been addressing the non-disclosure challenges include **making adverse inferences**, **ordering disclosure**, **requiring more fulsome hearings** to assess credibility and **using the best evidence available** to decide the outcome.

Adverse Inferences

In *AKK v ASK,* the court made an adverse inference against the non-disclosing spouse. The court reviewed bank account statements showing purchases in "crypto.com" and considered the respondent's failure to provide documents, concluding the respondent may have had digital assets and other undisclosed assets by the time of trial.

The court found the respondent's transactions without candid explanation undermined confidence in his evidence.[20] In *AKK* the court ordered a disproportionate share of family property to the claimant to ensure "she receives one-half of the family property as redress for the respondent's significant unfairness in either hiding or misappropriating family property."[21]

In *JRJ v SVJ*, the respondent left Canada taking most of the family assets with him.[22] The respondent did not return to attend the one-day trial of the matter. Prior to the trial the claimant had discovered the respondent was attempting to hide his income from her and the claimant obtained an Anton Pillar order to preserve evidence (and to prohibit the respondent distributing intimate videos of her).[23] The respondent generally refused to adhere to the Anton Pillar order even when it was brought back to chambers and compliance was ordered.[24] Further interim orders were made, *inter alia*, for claims of privilege over the materials seized pursuant to the Anton Pillar order to be waived, an extension of a property preservation order, payment of a fine by the respondent and that the respondent be found in contempt.[25]

Documents that were recovered showed the respondent had liquidated assets and converted proceeds into cryptocurrency.[26] The court drew adverse inferences against the respondent, estimating the value of family property, assuming an increase in value for the cryptocurrency based on the claimant's evidence and inferring that the assets the claimant had been able to identify did not represent all of the assets the respondent had withheld from the claimant.[27] Reasons for this included the respondent's history of non-disclosure and his willingness to breach court orders.[28]

[20] AKK, *supra* note 17 at paras 126—133.
[21] Note that there were several other factors leading to this disposition of property including the respondent failing to comply with a restraining order to preserve family property and failing to provide accountings, (see *ibid* at para 338).
[22] *JRJ v SVJ*, 2025 BCSC 2105 at para 3.
[23] *Ibid* at paras 24—25.
[24] *Ibid* at paras 33—35.
[25] *Ibid* at paras 38—40.
[26] *Ibid* at para 45.
[27] *Ibid* at para 90.
[28] *Ibid* at paras 88—89.

In *MW v NLMW,* (see example 2 above) the court heard evidence about the crypto assets including that: the respondent spent much of his spare time listening to information about how to make money investing in it and that he had invested over $100,000.00.[29] The respondent's non-disclosure with respect to crypto assets was found to be "particularly egregious" and the respondent's claim the crypto assets were lost was not accepted. $60,000.00 was attributed as the value of the crypto assets (accepting that there may have been some loss in value).[30]

Disclosure Orders

In *Tyrell v Tyrell,* the court ordered disclosure.[31] Mr. Tyrell claimed that one half of a Bitcoin was stolen from the digital wallet. Ms. Tyrell alleged he was hiding it in another account. The court found that apart from lack of disclosure, there was no other reason to believe digital currency was not stolen.[32] The court ordered that within 30 days Mr. Tyrell was to produce: statements for the digital currencies including transfers out of the account since separation. If Mr. Tyrell failed to show the transactions since separation, Ms. Tyrell would have liberty to apply for a further order for the digital currency not accounted for.[33]

MMD v JAH is one of the early digital asset decisions. In this interim application, the applicant sought orders*, inter alia*, for child support (including imputation of income to the respondent based on his approximately $10 million holdings of crypto assets), interim distributions and disclosure. The Respondent sought orders including disclosure from the applicant and an order "that all documents pertaining to the Respondent's investment in cryptocurrencies be filed under seal and/or be partially redacted".[34]

The Respondent took the position that he would provide relevant documents available evidencing his bitcoin holdings but did not have historical documents and that evidence of transactions could only be provided at the time of the exchange. The Respondent argued that there are unique security risks around crypto assets and that disclosure of his investment information could result in cyber theft or devaluation of the assets.[35]

In considering and allowing the Respondent's request to provide redacted assets the court stated:

> "I have no expert evidence on this issue. It is clearly a volatile, emerging, intangible source of wealth which the courts will have to grapple with more frequently in future.
>
> For purposes of this case, I find there is no prejudice to the Applicant if she receives the

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[29] *MW supra* note 18 at para 334.
[30] Note that this decision provides a helpful summary of British Columbia law on non-disclosure and adverse inferences (see *ibid* at paras 346—350); *Ibid* at para 361.
[31] *Tyrell v Tyrell*, 2025 BCSC 94 at para 40.
[32] In this case, there were no details of the testimony Mr. Tyrell provided in support of his claim that digital currency was stolen from his digital wallet. There are questions to be asked and records to be requested to clarify or challenge such a claim outlined below (see *ibid*).
[33] *Ibid* at paras 39—40.
[34] *NMD v JAH*, 2019 ONSC 2208 at paras 1—2 [NMD]; Note that the decision the respondent had sworn a financial statement showing $18 million in crypto currency (see *ibid* at para 91).
[35] *Ibid* at paras 44—45.

disclosure of the Respondent's cryptocurrency assets in redacted form. There is a greater risk of prejudice to the Respondent if he is required to produce them in an unredacted form which could compromise the security of this substantial asset".[36]

An order was made for redacted disclosure: "All documents pertaining to the Respondent's investment in cryptocurrencies may be served on the Applicant and filed with the Court partially redacted to protect the security of information contained therein".[37]

Seven years later, it seems unlikely a redaction order will be warranted, unless a very specific security risk is put into evidence with respect to digital assets (i.e. It is reasonable to request security for private keys and seed phrases).

Requiring a Hearing to Assess Credibility

In some cases, courts found a trial necessary to make determinations given a lack of evidence and credibility issues.

In *Carvalho v Couto,* Justice Vella disposed of the matter by declining to exercise jurisdiction with respect to the relief sought (setting aside minutes of settlement). The court found that determination of the matter was premature and there was a genuine issue requiring a trial and assessment of credibility.[38]

Liu v Peng, is an interim decision primarily discussing child support and document production. In the reasons, the respondent's evidence was that he had given the parties' son a loan of $147,000.00 USD with $120,000.00 of that to be used to purchase Bitcoin (for the respondent's benefit). The respondent argued that his child support obligation was satisfied by, or should be set off by, the Bitcoin funds the child was holding (for the father).[39] The court requested an affidavit from the parties' son about the Bitcoin investment. The parties to the matter also submitted further affidavits regarding Bitcoin. Given the conflicting evidence from the parties and their son, the court found the issues would have to be addressed at trial to allow for the decision maker to have the benefit of oral testimony to make findings of fact and on credibility.[40]

In *NMD v JAH,* the court found that it would not exercise discretion under Section 19 of the Federal Child Support Guidelines to impute an income to the respondent for his significant digital asset holdings without the benefit of an income valuation and cross examination.[41]

Using the Best Evidence Available

In many reported decisions, the documentation before the court regarding digital assets left the court in a case to make decisions based on "the best, albeit imperfect evidence".[42] This issue is

[36] *Ibid* at paras 104—105.
[37] *Ibid* at para 146.
[38] *Carvalho v Couto,* 2023 ONSC 4975 at para 37.
[39] Note the child in this case was 25 at the date of hearing (see *Liu v Peng*, 2021 BCSC 1006 at para 27).
[40] *Ibid* at para 39.
[41] *NMD, supra* note 34 para 102.
[42] *MN v JDR*, 2026 ONSC 870 at para 106 [MN].

not unique to digital assets. As the court notes in *Donner v. Donner*:

> "As noted by Ms. Donner, in family litigation trial judges are unfortunately often faced with making decisions without the benefit of adequate information. While this can undoubtedly be frustrating for the opposing party, insufficient disclosure leaves trial judges to do justice as best they can with the limited information provided. There comes a point in a case where both the opposing party and the judge should end efforts to secure more or better disclosure, and instead forge a way to a hearing and decision. If not, already burdened trial dockets would risk becoming even more congested, and the resolution opposing parties seek further delayed. The consequences to the party who falls short of meeting disclosure obligations can be addressed by such "tools" as, for example, adverse inferences the judge might draw, credibility findings and evidentiary conclusions the judge might reach, and potential cost consequences that might be imposed on a non-disclosing party."[43]

Parties holding digital assets were regularly reported as not meeting their disclosure obligations, providing minimal documentation of their holdings or leaving it to the non-holding spouse to try and present available documents.

For example, in *KW* v *GW*, the only documentation provided regarding the Bitcoin held by the father was in the mother's book of documents, indicating that there was a balance of 0.3384 BTC with a dollar amount assigned. The father testified this was a screenshot of the Bitcoin account at the date of separation however no year was noted. The father said he was "pretty sure" it was from 2019 or 2018. The father could not specify which account the funds to purchase the Bitcoin came from but believed it was a joint TD account. The father gave evidence that there was now $18,500.00 in the account. The father's evidence was used as a value and the account divided equally.[44]

Please see other examples of "using the best available evidence" in the section below on insufficient evidence of value.

Practical Solutions: Addressing Non-Disclosure and Tracing Digital Assets

As practitioners become more familiar with digital assets and the documentation available to evidence them, it is hoped that trends of non-disclosure and imperfect evidence will diminish. A large part of family law practice involves asking the right questions early. Counsel is encouraged canvass digital assets at the outset of a file.

[43] *Donner v Donner*, 2021 NSCA 30 at para 42.
[44] *KW v GW,* 2022 NBKB 236 at paras 239—243.

Intake and Initial Client Interviews

Consider adding a dedicated section to your intake questionnaire to identify digital asset holdings. Where assets are disclosed, follow up with targeted questions, including:

- Obtaining digital wallet addresses over which the individual has control or participates in multi-signature authority.
- Obtaining a list of all owned tokens and quantities.
- Where are the assets stored (Custodian or Self-custody wallet)?
- Date of acquisition: When were the assets acquired and how have holdings changed since separation?
- Statements of activity.
- Have transactions been reported on your tax returns?

Clients may be assigned practical homework, such as providing a complete list of accounts and wallet addresses, screenshots or PDF statements showing holdings at relevant dates, and exported transaction histories. Clients should be advised to preserve exchange records and physically secure any self-custody wallets.

Preserving historical transactions and exchange records are important records in the event an exchange stops operating or changes its access structure.

How to Discover and Trace Digital Assets

Digital assets, including cryptocurrencies and non-fungible tokens (NFTs), present unique challenges in family law matters due to their pseudonymous nature, decentralized storage, and potential for concealment. However, they are not untraceable.

Disclosure Requests and Orders

When representing the non-holding spouse, counsel may investigate if digital assets exist both through interviewing their client and looking at documents their client can access/have been provided through initial disclosure exchanges.

- Review bank statements, credit card transactions, and loan applications for transfers to or from cryptocurrency exchanges (e.g., Shakepay, Newton, NDAX, Coinbase, or Binance).
- Examine tax returns and CRA filings for reported crypto income, capital gains, or foreign property disclosures on Form T1135.
- Review personal net worth statements for financing applications to see if digital assets are listed.
- Search **only shared** email accounts/text messages, phone records, shared devices, and cloud storage for exchange confirmations, wallet applications, or transaction alerts (with

appropriate warnings about surreptitiously obtained evidence and Sections 183, 184(1) and (2) of the *Criminal Code of Canada*).

Make targeted disclosure requests that reference any known information, including specific exchanges, self-custody wallets, transaction dates, or public statements made by the other party.

If voluntary disclosure is inadequate, an application to the court for production of documents and information should be considered:

- The Canada Revenue Agency's record-keeping requirements offer a helpful template when drafting disclosure orders. Please see the following link: https://www.canada.ca/en/revenue-agency/programs/about-canada-revenue-agency-cra/compliance/cryptocurrency-guide/books-records-crypto.html. CRA guidelines generally require that:
    - Records be maintained for seven years, including:
        - The number and type of crypto asset involved in each transaction.
        - The date and time of the transaction, the value of the asset in Canadian dollars at the time of the transaction.
        - A description of the transaction (including the counterparty's crypto address if applicable).
        - The wallet addresses used.
        - The beginning and ending wallet balances for each crypto asset for every year.
        - Associated receipts for accounting, legal, and third-party software costs.
    - For those using crypto exchanges or custodial platforms:
        - Trade ledgers (covering buys, sells, and swaps).
        - Transfer ledgers (deposits and withdrawals of both crypto and fiat currency).
        - Supporting records for other platform transactions should be preserved.
        - Individuals engaged in crypto mining should maintain receipts for hardware purchases, operational expenses (such as electricity, mining pool fees, and maintenance).

        - Records of mining pool agreements along with exported activity logs.

- Where the client has specific knowledge, include that in the disclosure application material. For example:
    - "On June 2, 2024, the parties were on vacation in Kelowna. The parties spent time with their friends, the Moss family. Betty swore that Alan and Mr. Moss discussed crypto trading over dinner at OAK + CRU, with Alan telling Mr. Moss how well his Wealthsimple crypto account was performing and that he could "retire early if things continue this way"."

Counsel can also use other discovery tools provided for in applicable legislation such as examinations for discovery and interrogatories.

Advanced Discovery Techniques

Orders to compel third party holders

Obtaining a court order to compel exchanges (or third parties) to produce records can be an effective tool. Platforms maintain detailed customer and transaction records. This can be combined with blockchain analytics to produce clear, court-admissible evidence of asset flows.

Professional and Forensic Assistance

Consider retaining an accountant who focuses their practice on crypto assets to assist you in understanding the available data and analyzing the data that you have managed to obtain.

Additionally, retaining a forensic discovery professional that has experience in expert reporting for litigation can be of assistance. This may include acquisition and analysis of digital devices to find deleted messages or emails from an exchange for example. A summary of the law and a sample order for review of electronic devices can be found in *S.D.N. v. E.G.N.* 2025 BCSC 1733 (paras 30-61).

Blockchain Analysis Tools

Several specialized platforms are widely used by forensic accountants and blockchain analysts:

- **Chainalysis** — A leading blockchain intelligence platform used extensively in high-net-worth family law cases. Its Reactor tool enables tracing funds across wallets, exchanges, and chains; wallet clustering; visualization of transaction flows; and attribution to real-world entities.
- **Arkham Intelligence** — A more accessible platform that allows input of a public wallet address to view transaction history, counterparties, entity labels, and connected wallets.

- **TRM Labs, Elliptic, and Lukka** — These tools provide advanced tracing, risk scoring, AML analysis, and fund flow visualization.

Public blockchain explorers (e.g., Etherscan, Blockchair, or Blockchain.com) can also serve as an effective starting point for basic transaction review.

Case Studies

See **Schedule B** for a hypothetical interview with "Kevin" who has disclosed he owns digital assets but has not provided much detail in his initial intake form. Kevin is a small-time investor who only holds assets on one Canadian exchange, wealthsimple.com. Schedule B shows an example of what his records might look like.

See **Schedule C** for a hypothetical interview with "Johnathan" who has disclosed he owns digital assets. He also has not provided much initial detail in his initial intake form. Jonathan has assets on https://www.coinsquare.com/en-ca and a self-custody wallet. Jonathan has moved digital assets from his Coinsquare account to his self-custody wallet and is explaining the process and what the documents/screenshots evidencing this transaction look like.

Adverse Inferences

Where counsel have exhausted discovery options and information remains incomplete, consider advocating for an adverse inference to be made with respect to the digital assets as seen in the caselaw above.

Unequal Division, Compensation and Common Law and Statutory Remedies

Counsel may advocate for a variety of remedies if disclosure is incomplete or if there are claims of lost or stolen digital assets.

While each province has their own property division legislation, under British Columbia's property division law, arguments could be developed under Section 95 of the *Family Law Act* for unequal division of family property based on:

- 95(2)(f) whether a spouse, after the date of separation, caused a significant decrease or increase in the value of family property or family debt beyond market trends;
    - This could be applicable in a case where a spouse claims assets were stolen from a self-custody wallet or a self-custody wallet was lost but cannot provide a reasonable explanation or records to show the loss occurred to satisfy the balance of probability standards;
- 95(2)(g) the fact that a souse, other than a souse acting in good faith,
    - Substantially reduced the value of property, or

  - Disposed of, transferred or converted property that is or would have been family property, or exchanged what would have been family property into another form, causing the spouse's interest in the property or family property to be defeated or adversely affected.
    - This could be applicable in a case where a spouse gave control of a digital asset to a third party and then claims not to be able to find them, or that the third party lost the assets.
- 95(2)(i) any other factors, other than the considerations referred to in subsection (3), that may lead to significant unfairness:
  - It could be advocated that non-disclosure or incomplete disclosure of digital assets would cause significant unfairness.

Common law and equitable remedies such as wasting or unjust enrichment could also be argued.

Using the Best Evidence

Should proportionality dictate, counsel, with instructions from their client, might decide to use the best evidence available in advocating before the court. It is our hope that the information on value below is helpful in marshalling available evidence of value.

Case Law in Canada: Insufficient Evidence of Value

In most reported decisions, the court has been asked to use evidence of value put forward by the parties.

Expert evidence of value is rare and, in one case that employed an expert, the evidence was not determinative on the issue of value of digital assets. Reported decisions so far generally do not consider tax attributes or liabilities associated with the disposition or transfer of digital assets.

In the case of *GY v CY*, a certified business valuator was retained by way of court order to value the applicant's business and determine the applicant's income.[45] However, the expert's evidence did not provide a useful conclusion respecting digital assets, in part based on non-disclosure of the applicant:

> "On cross-examination, Mr. Krofchick [the expert witness] was asked questions, which were based on hypotheticals not proven at trial. For example, he was asked about the fact that the applicant had "substantial income from cryptocurrency". Mr. Krofchick testified that cryptocurrency is a stock, which fluctuates in value, and only when it is sold does it generate income. He was not told by the applicant that he had cryptocurrency".[46]

[45] *GY v CY,* 2025 ONSC 1673 at para 173 [GY].
[46] *Ibid* at paras 173—178.

The court declined to impute income to the applicant on the basis of holding crypto assets as there was no evidence of disposition.[47] With respect to the value of the cryptocurrency, the parties had disparate values for the assets in their net family property statements:

> "The respondent includes a valuation of $440,000 for cryptocurrency. The applicant says that the value is approximately $15,000. Mr. Krofchick agreed that the applicant did not disclose income from cryptocurrency. However, as noted, Mr. Krofchick testified that the cryptocurrency was considered stock and was "highly volatile". Absent any evidentiary foundation, the court cannot accept the respondent's speculation on the value of the cryptocurrency. The speculation by the respondent that the applicant would have been contributing speculated amounts, for start dates unknown, for a speculative value, cannot be accepted by the court".[48]

In most cases reviewed, evidence presented by parties of the value of digital assets is in the form of testimony (affidavit or *viva voce*), screen shots or printouts from websites and self-calculations. An example of this can be seen in *MN v JDR*:

> "The other area of divergence is with respect to the husband's cryptocurrency account. The evidence on this point is not great, either.
>
> The wife says that the husband refused to provide an accurate statement. The husband testified that he tried, but that the company with which he used to have a cryptocurrency account had been bought out by another, and the best he could get was a statement showing a cash balance in the month of the valuation date.
>
> A spreadsheet had been produced during the lifespan of this case, showing various transactions in and out of the account over time. The spreadsheet is hard to read, and does not clearly indicate what existed on the valuation date. It does not clearly identify withdrawals, but I know from the evidence that the husband made some. The wife tried to do some calculations of her own, but I am not persuaded that they are reliable.
>
> The best, albeit imperfect evidence I have is the cash value in the account in the month of separation, of $9,266.96. If there is a difference between the cash value and the market value, I was not able to ascertain that, nor was anyone else during the trial able to better explain it. Accordingly, the sum of $9,266.96 is shown in the calculation at Schedule "A" of this Judgment".[49]

Another example can be seen in *MAJ v MEJ*:

> "MAJ also claims as family property the value of MEJ's bitcoin account where he deposited the value of bitcoin he was mining. That account, which is referred to as Shakepay, held $3,158.88 in early October 2021. This account later held $41,012.53, all of which MAJ argues should be family property. MEJ says that the total value of this fund at separation, being $3,158.88, should be used for division

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[47] *Ibid at* para 465.
[48] *Ibid at* para 501.
[49] *MN supra* note 42 at paras 103—106.

> purposes. He also says that he was mining bitcoin for his father, who lost all of the value of this account in a scam.
>
> Given that the parties were dealing with all of their accounts without restriction post-separation, and the limited evidence I have with respect to this account, I set the value of family property in this account at the October 1, 2021, value of $3,158.88, half of which is owed by MEJ to MAJ."[50]

The Law Regarding Valuation

The court, in *McLean v. Gonzalez*, 2025 NSSC 313, provides a useful summary of the law regarding evidence of value at para 55, citing Julien Payne & Marilyn Payne, *Canadian Family Law* (Toronto: Irwin Law Inc, 2015) at pp 2-8.

> …The Ontario Court of Appeal made it clear in *Homsi v. Zaya* that the party asserting the value of an asset must provide credible evidence as to its value. This requirement obliges the party to provide not just a guess but a realistic value based on credible evidence. At times, documentary evidence or expert valuations may be required and it may be necessary to obtain information in the possession of a third party. …However, it is not always necessary to call expert evidence to prove values for minor assets and a court is entitled to ascribe a global value to ordinary household contents.

It is incumbent on the party asserting the value to present reliable and admissible evidence available to establish that value as of the relevant dates.

Practical Solutions: Valuation

As described above, valuation of digital assets is complex due to price volatility and nascent valuation principles. We can look to accounting and finance practice along with digital asset experts to help us establish the value of the digital asset tokens.

Price Volatility & Valuation Solutions in Cryptocurrency Markets

One of the defining characteristics of cryptocurrency investments is their significant price volatility. Unlike traditional financial assets, cryptocurrencies can experience rapid and substantial price swings within short periods, which directly impacts valuation, division, and risk allocation in matrimonial property matters.

Bitcoin (BTC), while exhibiting declining volatility over the long term as the market matures, remains highly volatile compared to traditional assets. In early 2026, Bitcoin traded in a wide range, reaching highs near $97,860 in January before declining to lows around $60,000-$67,000 by June 2026, representing swings of over 35%-40% within months. Annualized 30-day realized volatility has periodically compressed to historic lows (near or below 50% in recent periods), short-term fluctuations of 5%-10% in a single week remain common and while daily

[50] *MAJ v MEJ*, 2025 BCSC 1046 at paras 220—221.

moves exceeding 10% are rarer now than in previous bull/bear cycles, they remain possible during periods of high market stress, news events, or liquidations.

Ethereum (ETH) typically displays even higher volatility than Bitcoin due to its greater sensitivity to market sentiment, technological developments, and DeFi activity. In 2026, Ethereum has seen similar sharp movements, with prices fluctuating between approximately $1,800 and over $2,000 in recent weeks alone, and larger drawdowns observed earlier in the year.

In contrast, stablecoins such as Tether (USDT) are designed to maintain a stable value, typically pegged 1:1 to the U.S. dollar. These assets exhibit minimal price volatility, making them attractive for preserving value, facilitating trading, and conducting remittances with reduced exposure to market swings. Their relative stability has driven increased adoption in Canada and globally.

Implications for Family Law Negotiations and Settlements

The price volatility of cryptocurrencies creates unique challenges during the negotiation or settlement period. A valuation agreed upon on one date may differ significantly by the time documents are signed or funds are transferred. Parties and counsel should consider mechanisms such as:

- Valuation dates tied to specific triggering events.
- Valuation tied to tokens, not CAD.
- Valuations tied to available market data (opening, high, low, close).
- Adjustment clauses based on price movement thresholds.
- Use of stablecoin equivalents for settlement where appropriate.
- Appointment of a neutral expert for ongoing valuation monitoring.

Given these dynamics, professional valuation evidence and clear contractual language are often essential to achieve equitable and durable outcomes.

Smart Contracts

In the family law context, smart contracts introduce additional complexity to the identification, valuation, tracing, and division of digital assets. Embedded royalties represent potential future revenue streams that must be considered during equalization. Assets locked in smart contracts (such as in liquidity pools or staking arrangements) may be illiquid, complicating valuation at the date of separation or trial. While blockchain transparency aids discovery, complex interactions can obscure ownership or entitlements. Reported decisions have not yet deeply addressed smart contracts or associated tax attributes (such as capital gains and adjusted cost base carryover on spousal transfers), but they form part of the broader digital asset ecosystem requiring full financial disclosure.

NFTs

Because each NFT is unique, they cannot be easily divided like fungible crypto holdings; instead, it would make sense to assign the NFT to one spouse with an offsetting payment or asset transfer to achieve equalization.

NFT valuation presents significant challenges:

- High volatility and illiquidity (many NFTs have limited or no active market).
- Reliance on recent comparable sales on platforms like OpenSea, subjective artistic or cultural value, and potential for rapid depreciation (note that a large percentage of NFT collections have little to no monetary value).
- Expert evidence (e.g., from forensic accountants or digital asset appraisers) may be more relevant for complex or high-value NFTs than for standard cryptocurrencies.

NFTs also raise tax considerations (capital gains on disposition, adjusted cost base carryover on spousal transfers) and tracing issues due to pseudonymity, though reported Canadian decisions have not yet deeply analyzed these in the family law context.

Stablecoins

Stablecoins are treated as family property similar to other digital assets. Because of their relative price stability, they generally present fewer valuation challenges than BTC or altcoins and are often easier to divide (including in-kind transfers). However, parties must still fully disclose holdings, wallet addresses, and any associated smart contracts or yield-generating activities. Practitioners should verify reserve backing and regulatory compliance, particularly for larger holdings, and consider potential tax implications on any disposition.

Staking

Staked digital assets should be treated as family property subject to disclosure and division. Staking introduces additional complexity because:

- Staked tokens may be locked or subject to unbonding periods, affecting liquidity and valuation at the date of separation or trial.
- Future staking rewards represent potential income or growth that should be considered in equalization and support calculations.
- Smart contracts governing staking arrangements must be identified and analyzed, as they may create ongoing entitlements or obligations.

Parties should disclose all staking positions, wallet addresses, lock-up terms, and historical reward records. Valuation often requires reference to current exchange data and expert input where significant illiquidity or complex DeFi arrangements exist. As with other digital assets, tax implications (e.g., whether rewards are treated as income) should be addressed with professional advice.

Tax Considerations

Tax and accounting advice is an important and prudent step when advising clients on the division of digital assets, given the significant tax implications that can materially affect net outcomes. Under Canada Revenue Agency (CRA) rules, crypto-assets are treated as commodities (property), not currency. **Any disposition of a token or crypto-asset is a taxable event.** Dispositions include selling, trading or exchanging one crypto-asset for another, using crypto to purchase goods or services, gifting, or transferring ownership (including certain spousal transfers outside of specific rollover provisions).

The character of the gain or loss depends on the taxpayer's activities:

- **Capital gains treatment** generally applies to occasional investors holding crypto for long-term appreciation. Only 50% of the capital gain (the taxable capital gain) is included in income, calculated as proceeds of disposition minus the adjusted cost base (ACB, typically using the weighted average cost method) and reasonable disposition costs.
- **Business income treatment** (100% inclusion) may apply if the CRA views the activities as carrying on a business or an "adventure in the nature of trade." Factors include frequency of transactions, time spent, intention to profit from short-term fluctuations, and overall commercial manner.

In family law proceedings, spousal transfers incident to separation may qualify for tax-deferred rollover treatment in certain cases (with the recipient assuming the transferor's ACB), but this is not automatic and requires careful planning and documentation. Post-division dispositions by either party can trigger immediate tax liabilities, and failure to account for embedded gains, disposition fees, or future tax exposure can lead to inequitable outcomes or disputes. Reported decisions to date have given limited consideration to these net-of-tax effects.

The CRA continues to update its guidance on crypto-asset taxation as the industry evolves. Practitioners should direct clients to seek specialized professional tax advice (ideally from a CPA with crypto expertise) early in any settlement negotiation or before proposing a division method in court. Proper planning – such as coordinating valuation dates, structuring in-kind transfers, allocating tax liabilities, or using mechanisms like joint accountant reviews- can significantly improve after-tax results for both parties.

Recommended Resources: CRA's "Information for crypto-asset users and tax professionals" and related pages on income reporting, capital gains, and record-keeping requirements. Please see the following link: https://www.canada.ca/en/revenue-agency/programs/about-canada-revenue-agency-cra/compliance/cryptocurrency-guide.html

Disposition Fees

As we can see in **Schedule C**, exchanges will charge fees to transfer or withdraw assets. In the large majority of decisions reviewed it does not appear that evidence was presented regarding the transfer or disposition fees associated with digital assets.

Effecting Division

For negotiated resolutions several options for counsel to consider include:

1. Agree to a joint accountant and valuator to determine the value for transfer and any tax implications of the transfer. Agree how to adjust, minimize or defer taxes by joint planning and documentation. This should be considered in all structured settlements if applicable.

2. Agree to the disposition costs on the exchange holding assets and how to adjust for those. This should be considered in all structured settlements if applicable.

3. If exchanging cash for digital assets, ensure that the type of currency is specified and the exchange rate is addressed as applicable. For example, Bitcoin is typically represented in USD.

4. Set a specific date and time for division (i.e. for the purpose of the separation agreement we agree the crypto assets for division will be valued at May 19, 2026, at noon);

    a. Betty's Bitcoin will be valued at market close May 19, 2026, using the value on wealtsimple.com (the "Valuation Time").
    b. The conversion of Betty's Bitcoin value from USD to CND will be completed using www.xe.com/en-ca/ at the time of market close.
    c. Betty will transfer to Alan 50% of the value of Betty's Bitcoin in Canadian dollars as at the Valuation Time by way of CND e-transfer to Alan's bank account alan@cooldood.com on or before May 20, 2026 at 2:00 p.m.
    d. Betty will provide Alan with a screen shot from her Wealthsimple account confirming the value as at the Valuation Time on or before 2:00 p.m. on May 20, 2026.

5. Agree to take an average value over a set period. For example, if we are valuing at a historic date for the purpose of an agreement and the parties do not agree to a specific date of cohabitation to establish the value of an excluded property claim (but can agree to a range of dates):

    a. The parties will value Betty's Bitcoin as at the date of cohabitation using the average of value on an agreed upon reliable exchange (or three reliable exchanges) [say coinmarketcap.com, binance.com and coingecko.com] for the period December 1, 2020, at market close to December 15, 2020, at market close (the "Average Value"). Note that an expert could also be used to determine the average value.

6. Agree to liquidate and divide. For example, unless the parties otherwise agree, Betty will liquidate all of her cryptocurrency at market close on June 1, 2025. Betty will transfer Alan 50% of the sale proceeds of the cryptocurrency minus:

   a. Transaction fees.
   b. Taxes resulting from the disposition or latent in the assets (include method or logistics of calculation of taxes i.e. joint accountant and exchanging tax returns for the upcoming year).

   NOTE that the parties could cooperate to pick a different date for liquidation if they see market is down for the assets they are agreeing to liquidate.

7. Offsetting the digital assets against another volatile or hard to value asset (each party takes their own risk). For example, Betty strongly believes Bitcoin is the way of the future and is in it for the ups and downs. Alan has an investment in a tech start-up which he is passionate about and is difficult to value. The parties agree that to them, their respective assets have similar value and are willing to set them off against each other with no monetary compensation.

8. The most objectively fair method is to divide the assets in-kind. For example, Alan will obtain a self-custody wallet, and Betty will transfer 50% of her digital assets from her self-custody wallet to Alan's. For example:

   a. Within 14 days of this Agreement, Betty will transfer 0.3 Bitcoin (representing 50% of all of Betty's digital assets which are 0.6 Bitcoin) to Alan's self-custody wallet;
   b. Alan will provide Betty his self-custody wallet address within 7 days of this agreement.

   This could also be done if Alan sets up an account on an exchange. Betty could transfer her digital assets from a self-custody wallet or exchange account to Alan's exchange account.

9. Of course, by agreement, multiple creative options can be generated and recorded in a settlement. For example:

   a. Betty will hold all the digital assets in trust to pay for their child's post-secondary education, wedding, etc.
   b. Betty will hold 50% of the digital assets in trust for Alan and pay Alan the value of 50% of the assets when Bitcoin reaches a price of $150,000.00.

In a court proceeding, where the hearing is over multiple days and judgement could be rendered weeks later, counsel may advocate for an in-kind division of the assets on a certain percentage or quantum of asset (similar to how you would divide gold bars). This avoids one party being prejudiced by market volatility before division is finalized. For example, relief sought might:

1. Within 30-day of the date of judgment, unless otherwise indicated:

a. Betty will transfer 50% of the cryptocurrency in her name in-kind (including but not limited to Bitcoin, Ethereum and Dogecoin) to Alan [or] Betty will transfer 0.5 Bitcoin to Alan, representing 50% of the cryptocurrency Betty holds in her name;
b. Betty and Alan will jointly retain Accountant X to calculate and adjust for any tax implications associated with the transfer, to occur within 15 days of the date of judgment;
c. Alan will provide Betty with his wallet address and any reasonably necessary information to effect the transfer; and
d. Betty will provide to Alan:
    i. Confirmation of her cryptocurrency holdings prior to the in-kind transfer;
    ii. Confirmation of the in-kind transfer; and
    iii. Confirmation of her cryptocurrency holdings after the in-kind transfer has been completed.

In-kind division of crypto assets may not be a palatable option for parties who have limited to no experience with technology and little appetite to learn. Given this, and after canvassing your client's instructions and confirming their knowledge of the risks involved with volatile valuations, a set date and time value or transfer of traditional assets may be preferable, even if imperfect.

Conclusion

Digital assets have rapidly transitioned from niche investments to significant components of family property in Canada. As ownership continues to grow, family law practitioners must develop practical expertise in blockchain fundamentals, custody arrangements, valuation principles, regulatory frameworks, and dispute resolution strategies.

In reported decisions reviewed for this paper courts primarily rely on evidence of value put forward by the parties rather than expert testimony. To date, decisions have given limited attention to tax attributes or liabilities associated with the disposition or transfer of digital assets. These patterns underscore both the opportunity and the responsibility for thorough disclosure and diligent preparation.

Valuation remains central. Bitcoin (BTC) is regularly recorded as a Level 1 asset in the fair value hierarchy due to its active trading on open markets, which should reduce successful arguments based on insufficient evidence of valuation. Less liquid altcoins and NFTs are more likely to fall into Level 2 or Level 3, where valuation requires greater judgment. For altcoins, although prices may fluctuate over time, parties and courts can readily refer to data from established exchanges to determine fair market value at the relevant date.

NFTs, being unique and often illiquid, typically demand individualized assessment, with assignment to one spouse and offsetting equalization payments being the most practical approach. Smart contracts embedded in many NFTs and DeFi arrangements further complicate matters by creating potential future revenue streams (such as royalties) and liquidity constraints that must be disclosed and valued.

Non-disclosure and imperfect evidence continue to challenge proceedings, but courts have responded with adverse inferences, disclosure orders, credibility assessments, and reliance on the best available evidence. Practical tools—such as targeted questionnaires, requests for wallet addresses, blockchain explorers, exchange subpoenas, and forensic analytics- enable effective tracing and verification. Creative settlement mechanisms, including in-kind transfers, valuation-date clauses, averaging periods, liquidation with tax and fee adjustments, and offsetting arrangements, can help parties achieve equitable outcomes while managing volatility.

As digital assets become more commonplace in family law cases, it is our hope greater judicial guidance, improved methodologies for valuation and more fulsome disclosure will result.

In the interim, early identification, comprehensive disclosure and discovery, collaboration with qualified experts (forensic accountants, CBVs, and blockchain specialists), and proactive tax advice remain the most effective ways to protect clients' interests. By applying the same rigor used with traditional assets—adapted to the unique features of digital assets—practitioners can navigate this evolving area with confidence and help secure fair resolutions for their clients.

The future of digital assets in family law is not uncertain, it is inevitable. Preparation today will serve both current clients and the profession as blockchain technology becomes further embedded in everyday financial life.

Schedule A: Cases reviewed as of April 20, 2026

British Columbia:

a. *M.J. v R.J.*, 2026 BCSC 143: https://canlii.ca/t/khx8w

i. Justice Marzari
ii. Digital assets (Bitcoin) were small part of this case;
iii. R.J., the husband funds from a holding company to invest in Bitcoin, which he testified did increase in value (para 251).
iv. R.J. provided no financial disclosure of his financial situation or assets, but M.J. accepted his position that he should keep his investments (which included things other than Bitcoin) for his stated value of $250,000.00 (para 252).
v. As of April 20, 2026, no decisions citing this case.

b. *J.R.J v S.V.J.*, 2025 BCSC 2105: https://canlii.ca/t/khdgm

i. Justice Layton
ii. Decision resulting from a one-day trial after the respondent (husband) fled the country taking most of the family assets with him and abandoning the parties' two children (paras 1-3). The respondent did not attend trial, despite receiving notice and the decision was based on the claimant's evidence which the court found credible and reliable (paras 3-5).
iii. The claimant obtained an Anton Pillar order requiring the respondent to preserve evidence of his financial misconduct and to cease distributing intimate videos (para 25).
iv. The respondent failed/refused to comply with the Anton Pillar order (paras 27, 33 and 34). The respondent failed to provide evidence of his income or assets and took steps to keep assets out of reach of the claimant (para 45).
v. The respondent sold many items without the claimant's knowledge or consented and converted the proceeds any other cash at hand to crypto (paras 45 and 60).
vi. Based on claimant's oral and documentary evidence, as well as closing submissions, it was accepted that the best estimate of the value of the family property was $505,000. This was based on the assumption that the respondent has kept the amounts that the claimant has managed to identify in crypto, and that the crypto has increased in value (para 88).
vii. The court was satisfied that the respondent managed to hide and dissipate substantial assets not identified by the claimant in the litigation, and concluded that those assets should be attributed at one-half the value of the assets she has been able to identify, which amounted to $252,500. The total amount of family assets that the respondent has taken or otherwise withheld from the claimant was therefore calculated to

be $757,500 and she was entitled to one half, or $378,750 (para 91).
viii. As of April 20, 2026, no decisions citing this case.

c. *M.A.J. v M.E.J*, 2025 BCSC 1046 (CanLII):

i. Justice Marzari:
ii. MAJ claimed as family property the value of MEJ's bitcoin account (the "Shakepay Account") where he deposited the value of bitcoin he was mining (para 220).
iii. MEJ states that the value of the account at separation was around $3,000.00. MAJ argues the value at a later date should be family property (around $41,000.00). MEJ claimed he was mining the bitcoin for his father who lost all of the value in a scam (para 220).
iv. Court found that the value at separation would be used as the parties had unrestricted access to their accounts post-separation and the limited evidence provided for the Shakepay Account (para 221).
v. As of April 20, 2026, no decisions citing this case.

d. *Thiessen v Thiessen*, 2025 BCSC 150 (CanLII): https://canlii.ca/t/k981g#par49

i. Justice Sukstorf
ii. Husband proposed foreign cash and crypto wallet each valued at $1000, totaling $2000. Wife did not consent or request additional disclosure or appraisal. The Court ordered that proposal acceptable as there was imperfect evidence and difficulty determining precise values due to "volatility of cryptocurrency and fluctuating exchange rates (para 49).
iii. As of April 20, 2026, no relevant decisions citing this case.

e. *S.D. v S.A*, 2025 BCSC 835 (CanLII): https://canlii.ca/t/kc07g#par223

i. Justice Sukstorf
ii. The value of Bitcoin was $1,874.00 at trial (or separation) per asset division chart included in the decision at para 223.
iii. Both parties self-represented.
iv. As of April 20, 2026, no relevant decisions citing this case.

f. *Tyrell v Tyrell,* 2025 BCSC 94 (CanLII): https://canlii.ca/t/k92dz#par40

i. Justice Kirchner
ii. The husband has a digital currency account that has been held since before separation.
iii. He said its value as of April 17, 2020, was $7,996.59, but did not provide evidence of its present value. The husband stated one half of a bitcoin was stolen from his digital wallet in 2022 (para 37).
iv. The wife says a 2020 screenshot suggests there was one Bitcoin and one Ethereum coin in the husband's digital wallet at that time. The wife asserts that the husband failed to disclose financial information respecting the bitcoin account and indicates that the present value of one Bitcoin is $131, 864 and one Ethereum is now worth $4,283.
v. The Wife's position is that the judge should order that the wife is entitled to a credit of $68,073. The wife suggests the husband is hiding the stolen Bitcoin in another digital account. (para 38).

vi. Judge has no reason to disbelieve the husband apart from lack of disclosure, but he has offered no explanation for the lack of disclosure and that the wife's argument is speculation (para 39).
vii. Judge orders that within 30 days of this judgement, the husband must produce account statements for the digital currencies, including records showing transfers of digital currency out of the account since separation.
viii. The wife is entitled to one half of the value of the digital currency account as of the date of this judgement. While the court gives benefit of the doubt with respect to the theft, if he fails to produce records that show the transactions for the digital currency since April 17, 2020 the wife will be able to apply for a further order regarding the digital currency that is not accounted for.
ix. As of April 20, 2026, no relevant decisions citing this case.

g. *Turabi v Nabi*, 2025 BCSC 48 (CanLII), https://canlii.ca/t/k8snl#par197

i. Justice Majawa
ii. The husband owned bitcoin at the date of separation, and disposed of it at the date of hearing. The court found it difficult to discern the value at that date, but based on his later disposals, the court agreed with the wife's counsel and stated that it would be fair to ascribe a value of $7,224.72. The husband did not make any submissions in respect of the value of the bitcoin.
iii. The husband and wife are each entitled to half which is $3,612.36 (para 281).
iv. As of April 20, 2026, no relevant decisions citing this case.

h. *A.K.K. v A.S.K*, 2024 BCSC 1237 (CanLII), at para 338, https://canlii.ca/t/k5qxd#par338,

i. Justice Armstrong
ii. The husband had not disclosed his crypto holdings because he claims he did not know if he had to and also claims he lost that money.
iii. Bank records show that in June 2023 he purchased $16,075 and another purchase of $1,574 in an investment described as crypto.com.
iv. The failure to produce information other than a bank record reinforces the court's view that respondent has not been truthful in providing evidence or disclosure of his holdings. Leads the court to conclude the respondent may have had these other undisclosed assets by the time of trial (paras 126—128).
v. Non-disclosure leads judge to infer and conclude that respondent may have had these and other undisclosed assets at time of trial (para 129).
vi. Purchase of crypto investments and the deposit and withdrawal of $16,000 without candid explanation by the respondent undermines judge's confidence in the husband's evidence (para 132).
vii. Judge infers that the husband used funds that were family property in this investment activity (para 133).
viii. Evidence that crypto investments were purchased and not listed in

October 2023 F8 financial statements—raises questions about credibility and reliability (para 290).

ix. Failure to disclose the details of crypto currencies made it nearly impossible to assess the extent to which the claimant has been prejudiced (para 333).

x. The claimant will receive $337,900 being a disproportionate share of family property to ensure she receives one-half of the family property as redress for the respondent's significant unfairness in either hiding or misappropriating family property (para 338).

xi. As of April 20, 2026, no relevant decisions citing this case.

i. *F.A.P. v L.F.T*, 2023 BCSC 1073 (CanLII), at para 272, https://canlii.ca/t/jxtvt#par272;

i. Justice A. Ross

ii. The respondent asked the claimant to invest $10K in a cryptocurrency account on her behalf (which he did). The respondent believed the investment lost money. She argues that she asked the claimant to divest of the crypto holding at an earlier date when the value was higher and seeks her full $10K back.

iii. Both parties agreed and the judge made that award - claimant to pay respondent $10K (para 272)

iv. As of April 20, 2026, no decisions citing this case.

j. *M.W. v N.L.M.W,* 2021 BCSC 1273 (CanLII), at para 364, https://canlii.ca/t/jgpbm#par364;

i. Justice Veenstra

ii. The Respondent only disclosed one bank In his financial statement. The claimant took photocopies or photographs of other financial documents during the course of the relationship, which were tendered as evidence during her direct examination (para 39).

iii. Respondent claimed he wasn't good at trading cryptocurrencies and all the money invested was lost, but there was no documentary support for this other than one document showing as of late 2020 one account had a near zero balance (para 335).

iv. Three hurdles to a fair distribution of assets in this case, one of them being the non-disclosure by the respondent of information related to assets including cryptocurrencies, and concerns as to the reliability of the evidence the respondent did provide as to assets (para 351).

v. Respondent's non-disclosure regarding cryptocurrency assets is considered egregious. Judge does not accept that all the cryptocurrency assets were lost. In light of evidence that indicated that investments in cryptocurrency were in the range of $100,000 and accepting that there may have been some losses, judge attributes a value of $60,000 to the cryptocurrency accounts (para 361).

vi. Judge allocates the parties' assets and liabilities, and states that it intended to give a roughly equal division of assets (para 364).

vii. As of April 20, 2026, no relevant decisions citing this case.

k. ***T.E.A. v R.L.H.C*, 2019 BCSC 1042 (CanLII), at para 285, https://canlii.ca/t/j16wn#par285;**
    i. Justice Shergill
    ii. "RCI" was an investment vehicle used by Mr. C to build an investment portfolio for the family (para 244).
    iii. The court did not agree with the claimant that the purchase of cryptocurrency is a cost that should only be borne to Mr. C. as investment was done for the benefit of the corporation, and not for any improper purpose. Both the claimant and respondent should bear the loss of the value of the cryptocurrency, just as both of them will derive the benefit from the gain in value of securities (para 283).
    iv. Based on the evidence, the court found it would be unfair not to take into consideration the dividend paid to Mr. C when valuing RCI. After adjustments for market value of investments, and accounting the dividend paid to Mr. C provides the fairest valuation. Each party entitled to 50% of the value of RCI. (paras 285—286).
    v. As of April 20, 2026, no relevant decisions citing this case.

l. *Liu v Peng*, 2021 BCSC 1006 (CanLII), at para 39, https://canlii.ca/t/jg3pw#par39;
    i. Master Bilawich
    ii. The respondent objected to claimant's suggestion that funds he advanced to another individual for the Bitcoin investment account of the claimant and respondent. Claimant says that the funds advanced came out of an account that is a family asset rather than a separate account of the respondent (para 31).
    iii. Given the conflicting evidence presented from the claimant, the respondent and Yu Peng and the significant gaps in the available evidence, judge is not able to decide the claimant's child support issues and the respondent's defenses in an interim application. Issues will be addressed at trial (para 39).
    iv. As of April 20, 2026, no decisions citing this case.

Alberta:

a. *Li v Cheng*, 2024 ABKB 716 (CanLII), at para 198, https://canlii.ca/t/k8bsf#par198;
    i. Justice Darren J. Reed
    ii. Husband signed up for MOGO Bitcoin, only got $5, and grew to less than $10. Planned to use this for his employment. This money was held in his RRSP, and the justice deemed there be no value in this account (para 198) and it not be divisible family property (Appendix A)
    iii. As of April 20, 2026, no relevant decisions citing this case.

b. *Brown v Brown*, 2023 ABKB 117 (CanLII), at para 93,

https://canlii.ca/t/jvwgp#par93;

i. Justice S. Leonard
ii. Parties had an unofficial agreement that husband takes certain vehicles and toys, while wife takes a trailer and SUV (para 89). Wife sold those and put the assets into cryptocurrency (para 90). Judge deemed the value must be determined on a balance of probabilities (para 93).
iii. Wife's cryptocurrency is listed in a table as family property, and is included as assets to be equalized between parties (Appendix A).
iv. As of April 20, 2026, no relevant decisions citing this case.

Saskatchewan:

- No reported decisions found as of April 20, 2026.

Manitoba:

- No reported decisions found as of April 20, 2026.

Ontario:

a. ***M.N. v. J.D.R*. 2026 ONSC 870,** https://canlii.ca/t/kj4td;
  i. Justice Alex Finlayson
  ii. Husband has a cryptocurrency account, but wife says husband refused to provide an accurate statement. Husband testified that he tried, but the company he used to have a cryptocurrency account with had been bought out by another, and the best he could get was a statement showing a cash balance in the month of the valuation date, https://canlii.ca/t/kj4td#par104
  iii. The spreadsheets that were provided were hard to read and unclear, did not identify withdrawals, but evidence indicated that he had made some withdrawals. The calculations provided by the wife were considered to be unreliable, https://canlii.ca/t/kj4td#par105
  iv. Based on the imperfect evidence, the cash value in the account in the month of the separation was found to be $9,266.96, was unable to ascertain if there was a difference between the cash and market value, https://canlii.ca/t/kj4td#par106
  v. Husband wanted to deduct disposition costs on his investments and cryptocurrency, but this was not agreed, https://canlii.ca/t/kj4td#par107
  vi. The amount above in cryptocurrency was included in the calculations in schedule "A" for the net family property and equalization payment calculations
  vii. As of April 23, 2026, no decisions citing this case.

b. ***Carvalho v. Couto*, 2025 ONSC 3491 (CanLII), at para 6, https://canlii.ca/t/kcphk#par6**
  i. Justice Mathen

    ii. Husband denied owing crypto assets in affidavit but had made public statements otherwise.
    iii. Example of disclosure order requested by wife for bank and credit card statements to trace transfers to or from a crypto exchange or wallet (para 15);
    iv. Court ordered enforcement of previous disclosure order;
    v. As of April 20, 2026, no decisions citing this case.
c. ***G.Y. v. C.Y.*, 2024 ONSC 1673 (CanLII), at para 465,** https://canlii.ca/t/k8c2c#par465-
    i. Judge A. P. Ramsay
    ii. Cryptocurrency is not considered as part of a monthly income (para 465).
    iii. The court cannot speculate about the value of cryptocurrency without clear evidence (para 501).
    iv. As of April 20, 2026, no relevant decisions citing this case.
d. ***Gilmore v. Gilmore*, 2023 ONSC 5333 (CanLII), at para 32,** https://canlii.ca/t/k08vn#par32-;
    i. Justice Marvin Kurz
    ii. Husband used family funds to purchase Bitcoin, earning a profit of $9,382.52. He failed to provide a value at the date of separation, therefore court used that figure to equally divide as family property (para 32).
    iii. As of April 20, 2026, no decisions citing this case.
e. ***Manjunath v. Kuppa*, 2023 ONSC 6057,** https://canlii.ca/t/k0sdk;
    i. Justice Ricchetti
    ii. The amount of $912,629.05 has been recovered from Mr. Kuppa's assets broken down as follows: … (c) $345,252.15 Crypto currency received; and (d) $17,052 crypto currency agreed to be released (para 196).
    iii. $952,951.52 received goes towards the punitive damage award (para 199).
    iv. Current balance payable under this judgement against Mr. Kuppa as follows: … (e) $47,408.48 for the punitive cost award (para 200)
    v. As of April 20, 2026, no decisions citing this case.
f. ***Kostrinsky v. Nasri,* 2022 ONSC 2926 (CanLII), at para 164; https://canlii.ca/t/jpj2j#par164;**
    i. Justice O'Brien
    ii. Applicant claims that respondent had cryptocurrency that he has not included in his NFP. Also claims a resulting trust in his investment in BitCoin, which was valued at $2,989.35 at the valuation date, but which she calculates to have a value now of $10,482.72. Alleges that he used her funds to purchase BitCoin by using her credit card without her consent. Submits that pursuant to s. 14 of the Family Law Act, the BitCoin belongs to her (para 163).
    iii. Respondent conceded that he owned cryptocurrency and that he used the Applicant's funds (para 163).
    iv. Respondent did not endorse Applicant's calculation of the current value of the BitCoin, but did not offer any competing calculations (para 163).
    v. For simplicity, the value is added to the Respondent's NFP (para 163).
    vi. Respondent owes Applicant a payment of $29,928.94 which includes the

amount owed by way of resulting trust in the BitCoin (para 164).

vii. As of April 20, 2026, no relevant decisions citing this case.

g. *N.M.D. v. J.A.H.*, 2019 ONSC 2208, at para 146, https://canlii.ca/t/hzmhq#par146;

i. Justice Nakonechny

ii. Applicant asks that the court attribute interest income to the cryptocurrency investment in determining the Respondent's income. Questions Respondent's failure to provide evidence of the value of the investments and seeks unredacted statements (para 43).

iii. Respondent advises that he has or will produce the relevant documents evidencing his bitcoin investments, however claims he does not have records of historical transactions. Says that listing transactions cannot be produced like traditional bank accounts with bitcoin (para 44).

iv. Respondent resists providing unredacted documents because of what he says are the unique security risks surrounding bitcoin (para 45).Judge finds that it would not be appropriate to impute income to the Respondent from his business income or his cryptocurrency (para 102).

v. Respondent has investments in cryptocurrency with a value of $9,502,416 as of February 8, 2019. Asks that only redacted documents are produced to the Applicant and filed with the court (para 138).

vi. judge finds there is no prejudice to the Applicant if she receives disclosure of the Respondent's cryptocurrency assets in redacted form, greater risk of prejudice to the Respondent if he is required to produce them in unredacted form (para 141).

vii. All documents pertaining to the Respondent's investments in cryptocurrencies may be served to the Applicant and filed with the Court partially redacted to protect the security of the information contained therein; both parties shall provide any outstanding disclosure requested by other party within 30 days of the release date of this Order (para 146).

viii. As of April 20, 2026, no relevant decisions citing this case.

h. *Carvalho v. Couto*, 2023 ONSC 4975, at para 38, https://canlii.ca/t/k07tz#par38;

i. Justice Vella

ii. Mother alleges that the Father concealed from her prior to the execution of the Minutes regarding the cryptocurrency assets. Mother relies on podcast interviews where the Father describes him being a cryptocurrency investor for two years, which she alleges existed prior to the execution of the Minutes and which she did not know about. The Father denies that he held any significant cryptocurrency assets (para 28).

iii. Inadequate evidentiary record upon which to make material findings of fact, some of which will require an assessment of credibility (e.g.: the true extent and value of the Father's undisclosed cryptocurrency business and transactions at the time of the entry into the Minutes of Settlement) (para 37).

iv. Judge declines to exercise discretion to set aside or uphold the Minutes of Settlement in its entirety; says it is premature to decide (para 38).

v. As of April 20, 2026, no relevant decisions citing this case.

i. ***Kohli v. Thom,* 2021 ONSC 927, at para 120 https://canlii.ca/t/jd257#par120;**
   i. Justice Nishikawa
   ii. Respondent alleges that Applicant has other business interests, including a marijuana crypto-currency company; submits that the Applicant has failed to provide evidence of his 2019 personal income (para 112).
   iii. Respondent claims that the Applicant's annual income from all sources to be between $260,000 to $280,000 (para 113).
   iv. Applicant disputes that he has ever earned the amount of money alleged by the Respondent (para 114).
   v. Due to lack of evidence from both parties, for the purposes of interim child support, judge determines it appropriate to use the Applicant's 2018 line 150 income, $93,035 (para 120).
   vi. As of April 20, 2026, no relevant decisions citing this case.

Quebec:

a. Droit de la famille — 231114, 2023 QCCS 2652 (CanLII), at para 49, https://canlii.ca/t/jz5z6#par49-;
   i. Judge Karen Kear-Jodoin
   ii. Impossible to determine the father's income due to loss of employment, reliance on CERB, selling shares and collections, and bitcoins (para 51). It appears the court imputes an income for the father (para 71), and orders him to pay child support up until June 1, 2022 (para 72). No clear reasons are listed as to why those decisions were reached, other than possibly adherence to an agreement made between parties previously (para 58).
   iii. No decisions citing this case as of April 20, 2026.

b. ***Droit de la famille — 22767*, 2022 QCCS 1731 (CanLII), at para 64, https://canlii.ca/t/jp7kb#par64-;**
   i. Judge Silvana Conte
   ii. Defendant's brother gifted bitcoins to the parties' child. They were in an account for the child but were in a wallet on plaintiff's cell phone. Plaintiff ignored requests for info from defendant until trial, so defendant requesting bitcoins be transferred to their phone to manage. (paras 62-64)
   iii. Court ordered bitcoins be transferred to defendant to manage, and provide annual statement to plaintiff (para 64, 78).
   iv. No decisions citing this case as of April 20, 2026.

Nova Scotia:

- Unable to find any relevant cases as of April 20, 2026.

New Brunswick:

a. ***J.C. v. T.B.*, 2025 NBKB 65 (CanLII),** at para 70, https://canlii.ca/t/kbz92#par70-

    i. Justice Bolette M. d'Entremont
    ii. Father bought crypto during the relationship. At separation it was valued $7,790, and a year later he traded it for $14,954 (para 70).
    iii. The mother argues the crypto and other assets not jointly owned should be equally divided as the principles of unjust enrichment apply and they are "joint family ventures" (para 139).
    iv. Kerr v Baranow, 2011 SCC 10, is the leading case on unjust enrichment for common law couples (para 142), which is applied here. There must be a "juristic reason" for the enrichment (para 144), the mother arguing it is that she took 2 maternity leaves to care for children while the father worked and continued to pay into RRSP and buy crypto (para 145). No evidence the father was unjustly enriched during this time (para 155).
    v. There is no presumption of joint family venture (para 157). On evidence this wasn't proven (para 163).
    vi. Claim dismissed, mother not entitled to the crypto increase in value (para 164).
    vii. As of April 20, 2026, no decisions citing this case.
b. ***K.W. v G.W.*****, 2022 NBKB 236 (CanLII), at para 243, https://canlii.ca/t/jtc2x#par243-;**
    i. Judge M. Deborah Hackett
    ii. Father had a bitcoin account with funds taken from joint family accounts (para 241). No evidence presented on the value of bitcoin account at separation. Current value of account stated $18,500. Mother submits this amount should be equally divided, and due to lack of other evidence presented court agrees (paras 242, 243).
    iii. As of April 20, 2026, no relevant decisions citing this case.

PEI:

- Unable to find any cases as of April 20, 2026.

Newfoundland:

- Unable to find any cases as of April 20, 2026.

Territories:

- Unable to find any cases as of April 20, 2026.

Schedule B: Sample Interview with Kevin

It is May 4, 2026.

Kevin arrives for a consultation at my office.

He has completed his intake questionnaire in advance and emailed it in.

Kevin has listed in his intake form:

Digital assets		
Description and Date Acquired	**Name Asset Held In/Where is it stored – self-custody wallet/exchange/other/ public address?**	**Value**
Crypto – recent	Mine	$500.00

I have no experience with crypto assets. I ask Kevin follow up questions.

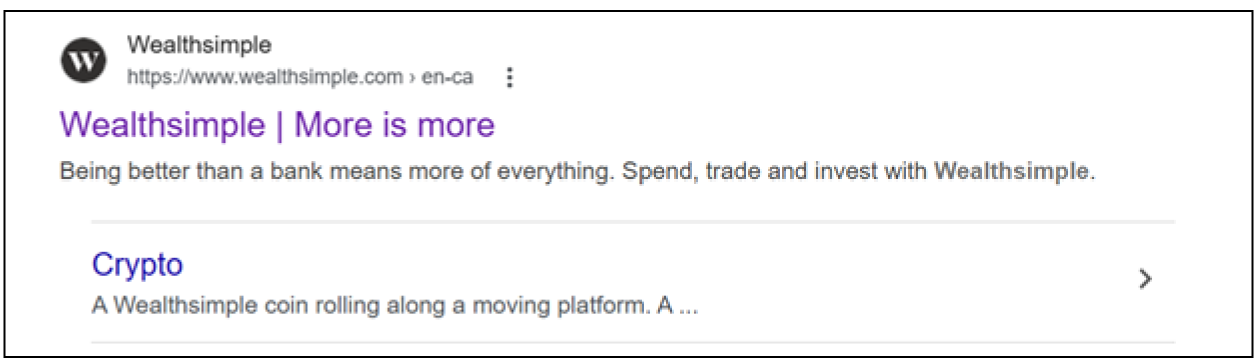
What kind of Crypto assets do you have?

"Bitcoin, it also shows up by its trading symbol "BTC".

How did you buy Bitcoin?

"I set up a Weathsimple account.

I went to the Weathsimple website:

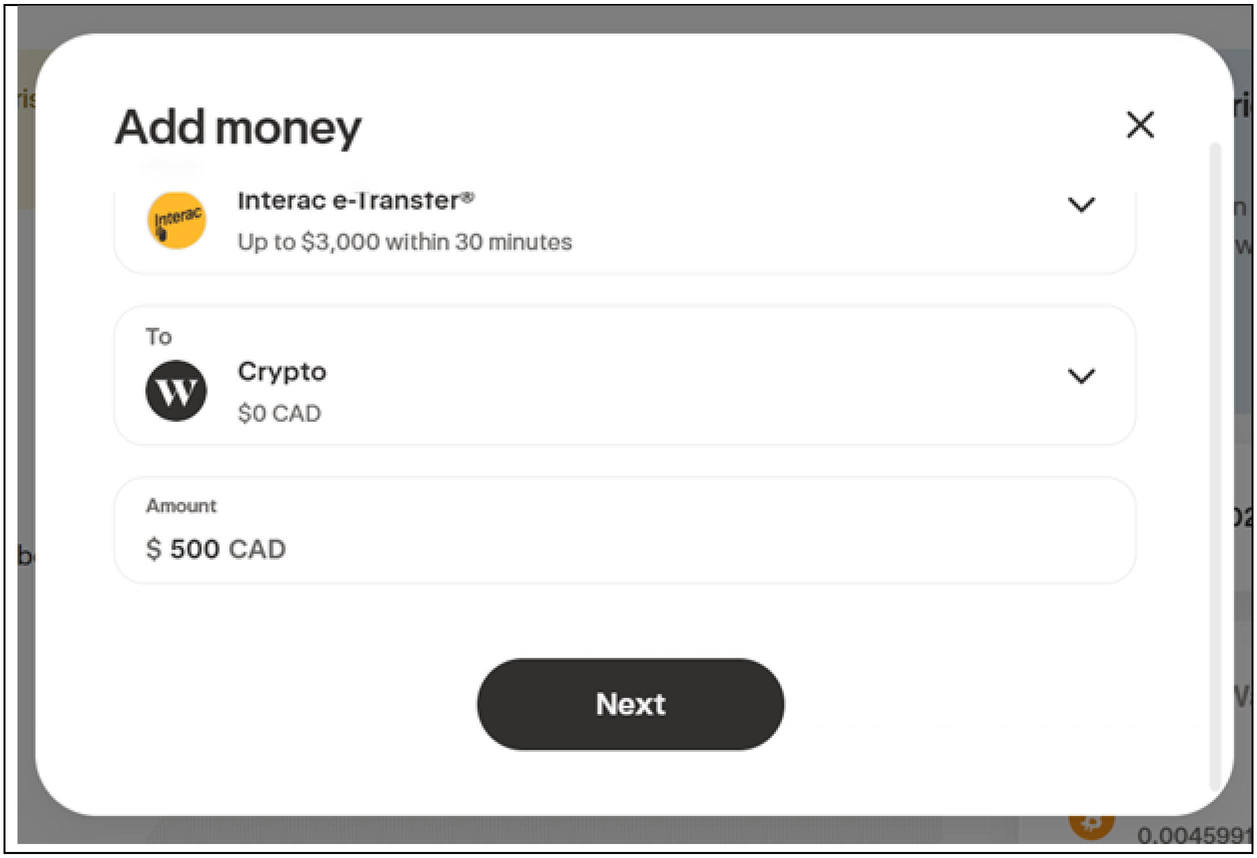


I created a username and password. I selected that I wanted to open a crypto account.

I had to put in personal information, my SIN # and some financial information. It was easy. I did it from my laptop in bed. In 5 minutes. I did not have to upload any identification."

How did you get the money from your regular bank account to your new Wealthsimple Crypto Account?

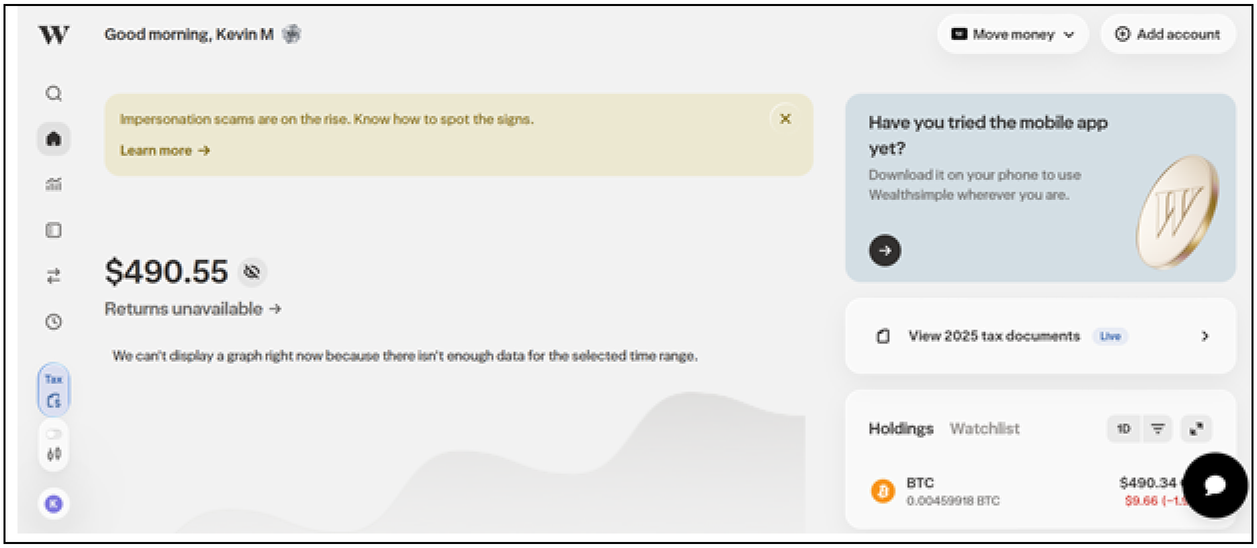
“Wealthsimple has a feature that allows me to send an e-transfer request to myself.   I sent an e-transfer request to my g-mail account for $500.00.”



After I opened the e-mail with the e-transfer request it went to the Scotia Bank Account I have that is joint with my wife. I e-transferred the Wealthsimple account $500.00.”

So that means you now have $500.00 in Bitcoin?

“Well, sort of. Wealthsimple charged me a commission. This is what my account looks like. I also don’t think I own any bitcoin – I think I just have a $500 investment in Weathsimple’s bitcoin holdings”



Kevin, I want to trace your transaction – can you show me what it looks like in your bank account:

"It looks like this:

May 04, 2026	INTERAC ETRNSFR FULFILL 202612213031FA2E3	- $500.00	$38.33

I tried to get more details, but when I clicked on the transaction it did not show more details:

INTERAC ETRNSFR FULFILL
202612213031FA2E3

- $500.00

Transaction date	May 04, 2026
Transaction type	An online, mobile or telephone banking transaction

Questions or concerns?
Transaction information comes directly from the merchant. If you're seeing transaction details that don't make sense, check out these tips.

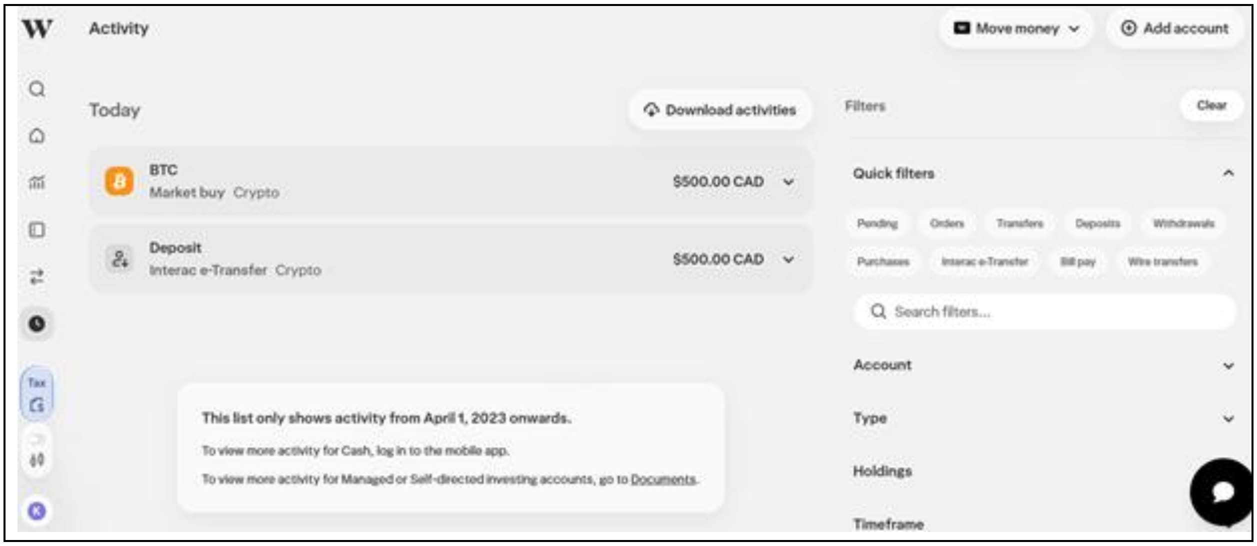
Get Tips

It just looks like I sent myself an e-transfer request.

If my wife was looking to find “bitcoin” transactions she would not find one in our joint Scotiabank account. She would only see that I sent an e-transfer to myself from our joint Scotiabank account.”

Kevin, I see how this transaction looks on your online banking. What does it look like on the Wealthsimple account?

“This is what it looks like in the “activity” tab:



It shows the e-transfer deposit and the Bitcoin (“BTC”) I purchased.”

Is there a more official record on Wealth Simple?

“Yes, there is a document I can download from the Wealthsimple account. It is called a “Transaction Confirmation”. This is what it looks like:

Transaction Confirmation (Order Execution Only) Trade Date: 2026-05-02

Wealthsimple Investments Inc.

CIRO · OCRI

Account Name: non registered crypto

We have bought for you - as an agent - for your account:

Quantity	Price	Cryptocurrency
0.00459918	$106,576.6651685 CAD	Bitcoin

Account Number:	HQBKC3414CAD	**Gross:**	$500.00 CAD
Order Number:	order-skOFC2OCfxSQtYArCLGMbULyBbl	**Fee:**	$9.83 CAD
		Exchange:	1.359170
		Net Amount:	$490.17 CAD

If this confirmation is not - in all respects - in accordance with your understanding, please notify us at https://help.wealthsimple.com.

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IMPORTANT: RETAIN THIS TRADE CONFIRMATION FOR INCOME TAX PURPOSES

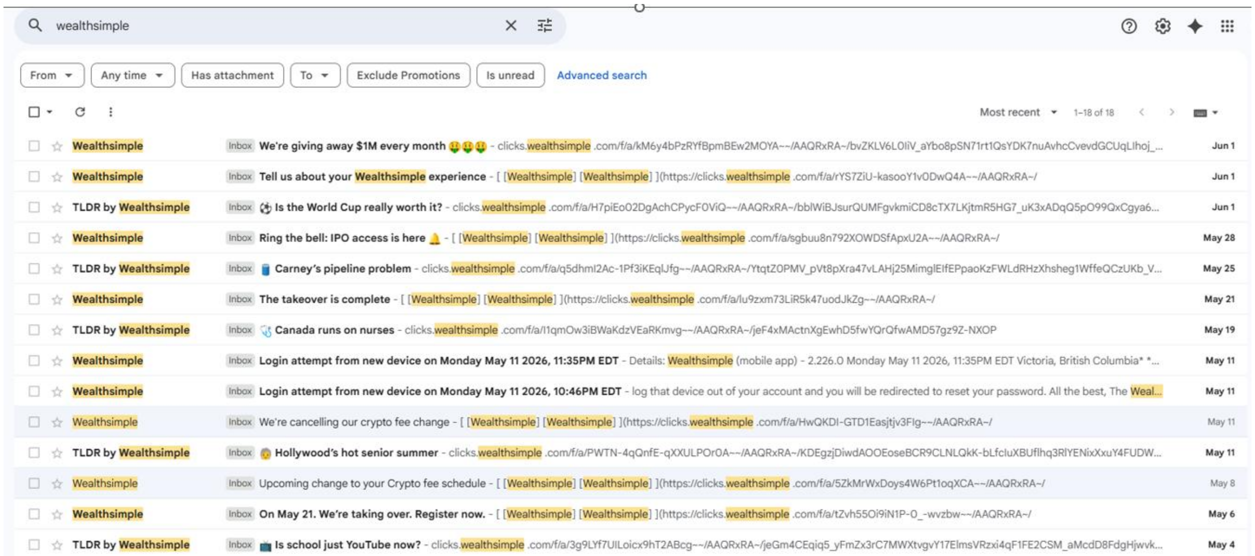
TRADE CONFIRMATION - PLEASE NOTE

Please review this confirmation carefully. Failure to object to incorrect or unauthorized trades, by contacting our office, within 10 days from the trade date as shown on this confirmation constitutes ratification by you of this trade.

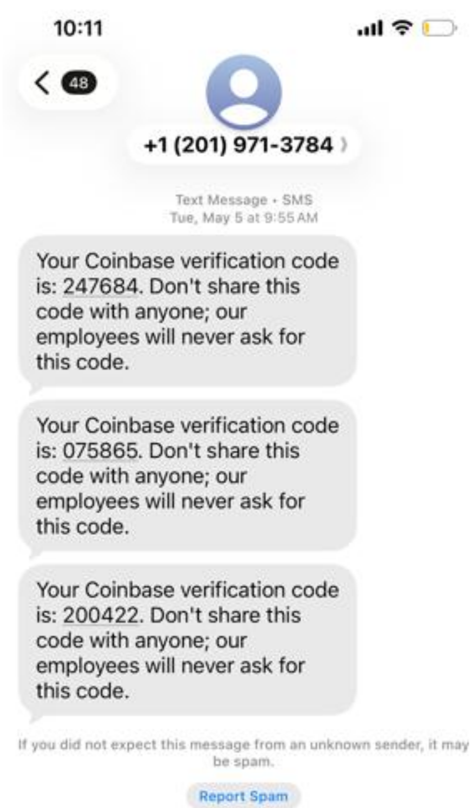
This and all other transactions are subject to the rules and regulations of the Investment Industry Regulatory Organization of Canada, if any, and to the following conditions assented to by you.

We shall have the right from time to time to pledge all or any part of the assets carried or held for your account for the amount due by you thereon or for more or less than the said amount either separately and/or loan the same or any part thereof either separately or together with other assets.

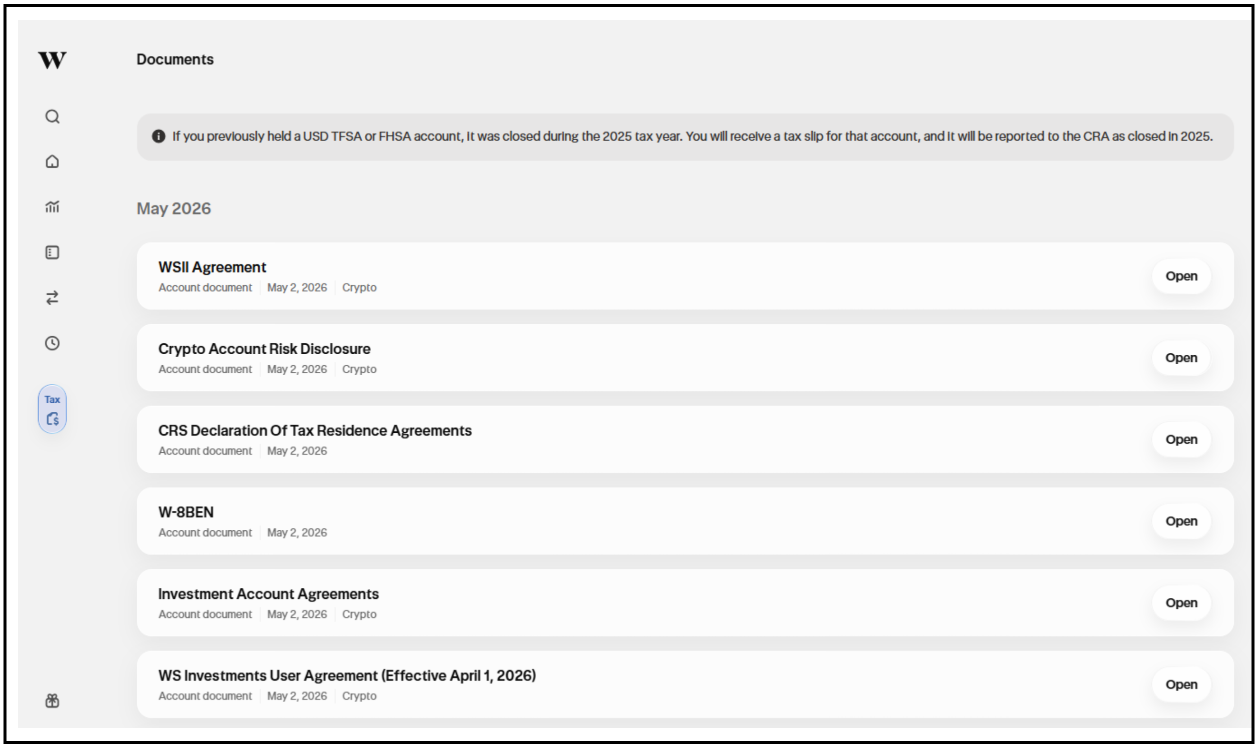
Discovery Tip: My email account would have emails from Wealthsimple showing the account opening and a lot of other promotional emails/emails to report transactions. For example, see all of the emails from Wealthsimple I have received since opening my account on May 2, 2026:



Also, my cell phone would also have text messages from the exchange verifying the account opening and whenever I log into the account for dual authentication. See example below from Coinbase:



Discovery Tip: On an exchange like wealthsimple.com there are also account opening documents available, for example:



Okay, Kevin, can I trace your purchase on a public bitcoin search website? How do I do that?

"You can't see my purchase on a public blockchain at this point. Wealthsimple holds the Bitcoin assets in a very large wallet that is not specifically registered to me."

For my transaction to show up in a public blockchain I would have to take it off of Wealthsimple and put it into a private wallet. Then the transaction would be recorded on-chain."

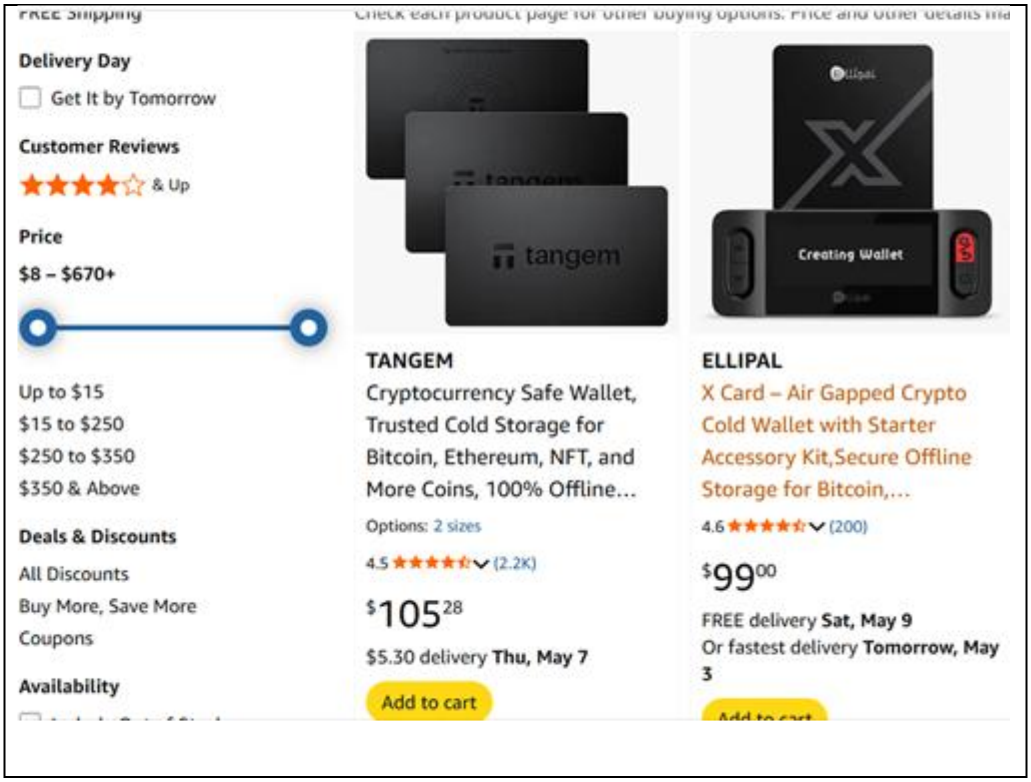
Kevin, you are losing me. I don't understand what a private wallet is?

"A private wallet is also called a cold storage wallet, self-custody wallet or non-custodial wallet.

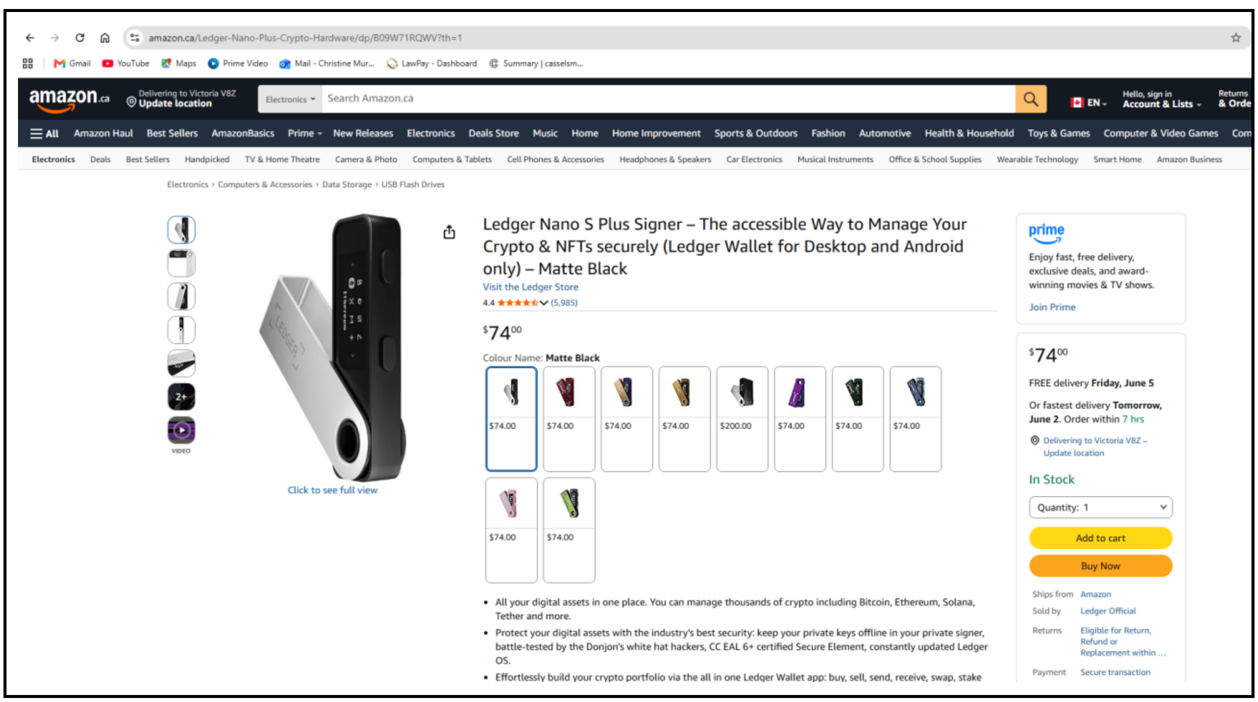
I read that there are some called a Ledger or a Trezer that are specifically designed to store bitcoin offline.[51]

I looked on Amazon and there were lots of options:

[51] Please note that this paper is not endorsing any type of self-custody wallet. The products used are for the purpose of example using commonly available options.



I decided to buy a Ledger on Amazon. This is what it looks like:



Okay, Kevin, so if your wife looked on your family Amazon account and saw that cold

storage wallet was purchased, it would be a sign you may have crypto assets?

“Yes”

So, if you were to transfer your BTC from Wealthsimple and onto your wallet what would you do?

“I don’t know how to do that yet. I think I would have to verify my information with a government issued photo ID.” I lost energy to do more with this as we are separating.

Schedule C: Sample Interview with Johnathan

It is May 4, 2026.

Jonathan arrives for a consultation at my office.

He has completed his intake questionnaire in advance and emailed it in.

Jonathan has listed in his intake form:

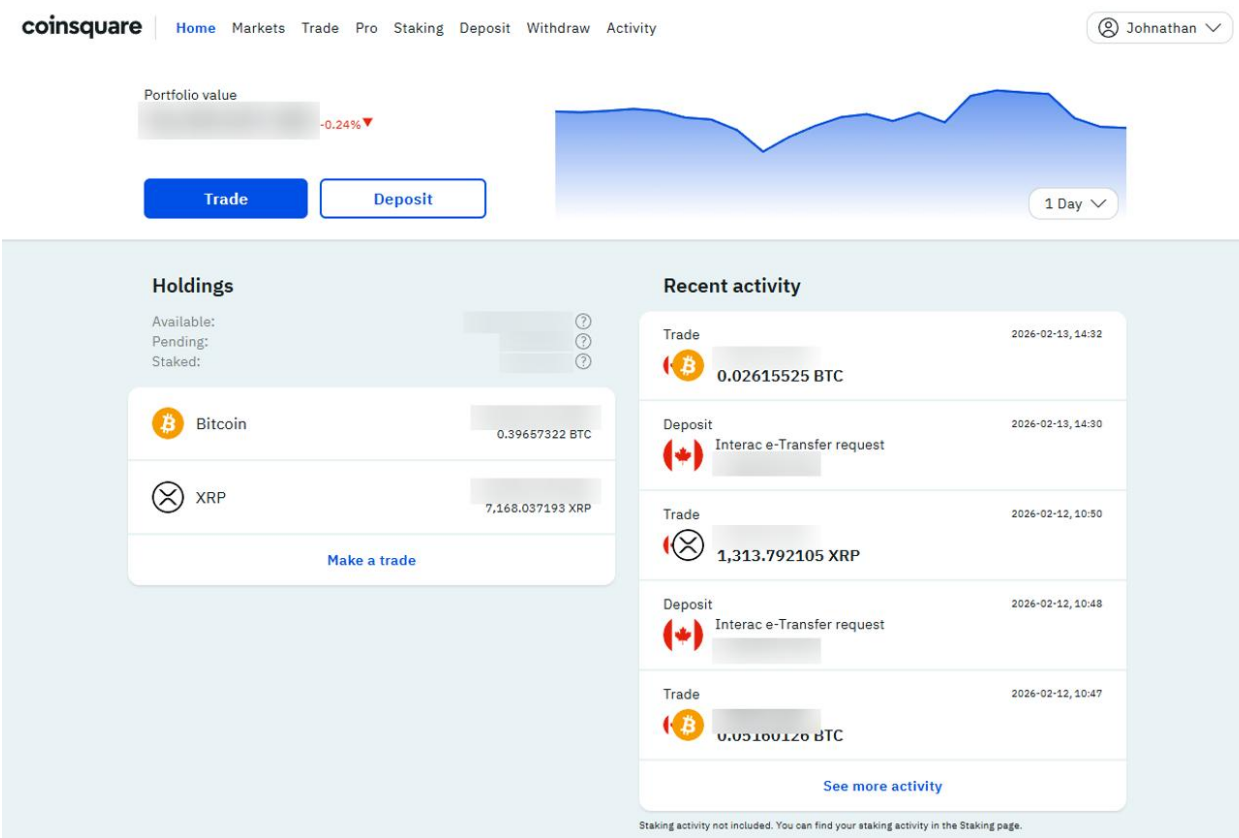
Digital Assets		
Description and Date Acquired	**Name Asset Held In/Where is it stored – self-custody wallet/exchange/other/ public address?**	**Value**
A long time	Bitcoin and XRP Self-custody and Coinsquare	Changes daily

Johnathan, where do you hold your digital assets?

"I was holding my digital assets in a Coinsquare account. I moved them to my self-custody wallet, a Ledger Nano S Plus."

You told me you took screen shots of the process of moving the assets from Coinsquare account to your self-custody wallet. Can you walk me through the process, what is the first step?

"First I took a screenshot of my Coinsquare account dashboard to show the balances of my coins and recent activity before the transfer I am describing to you. This is what it looked like"

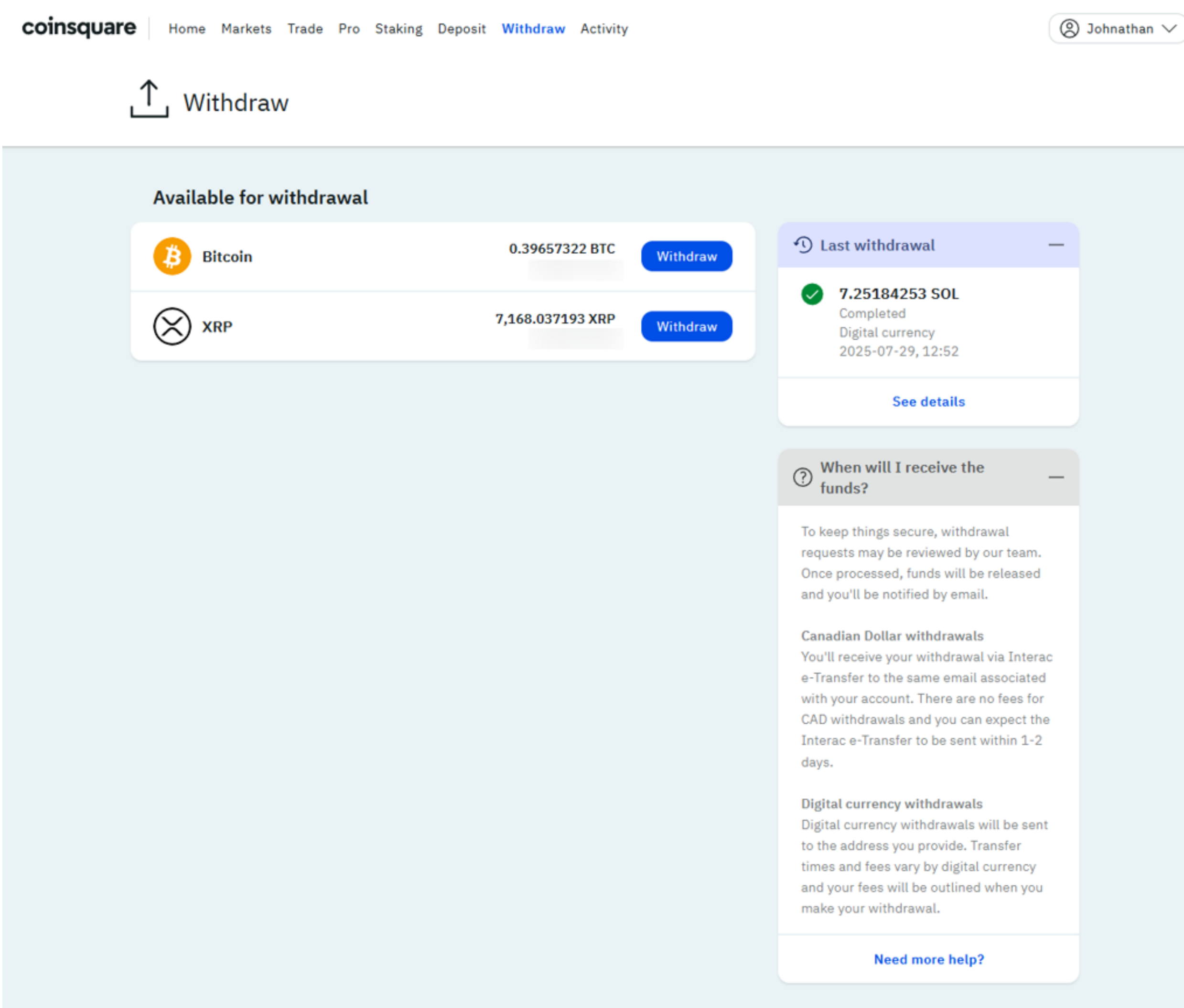


So what does this show me?

“It shows you that I hold part of a bitcoin (just under 0.4) and some XRP (7,168). It also shows that I did some deposits and trades on February 12 and 13, 2026.”

What was the next step to transfer your digital assets from an exchange to a self-custody wallet?

“I navigated to the “withdraw” page on Coinsquare. This is what it looks like”

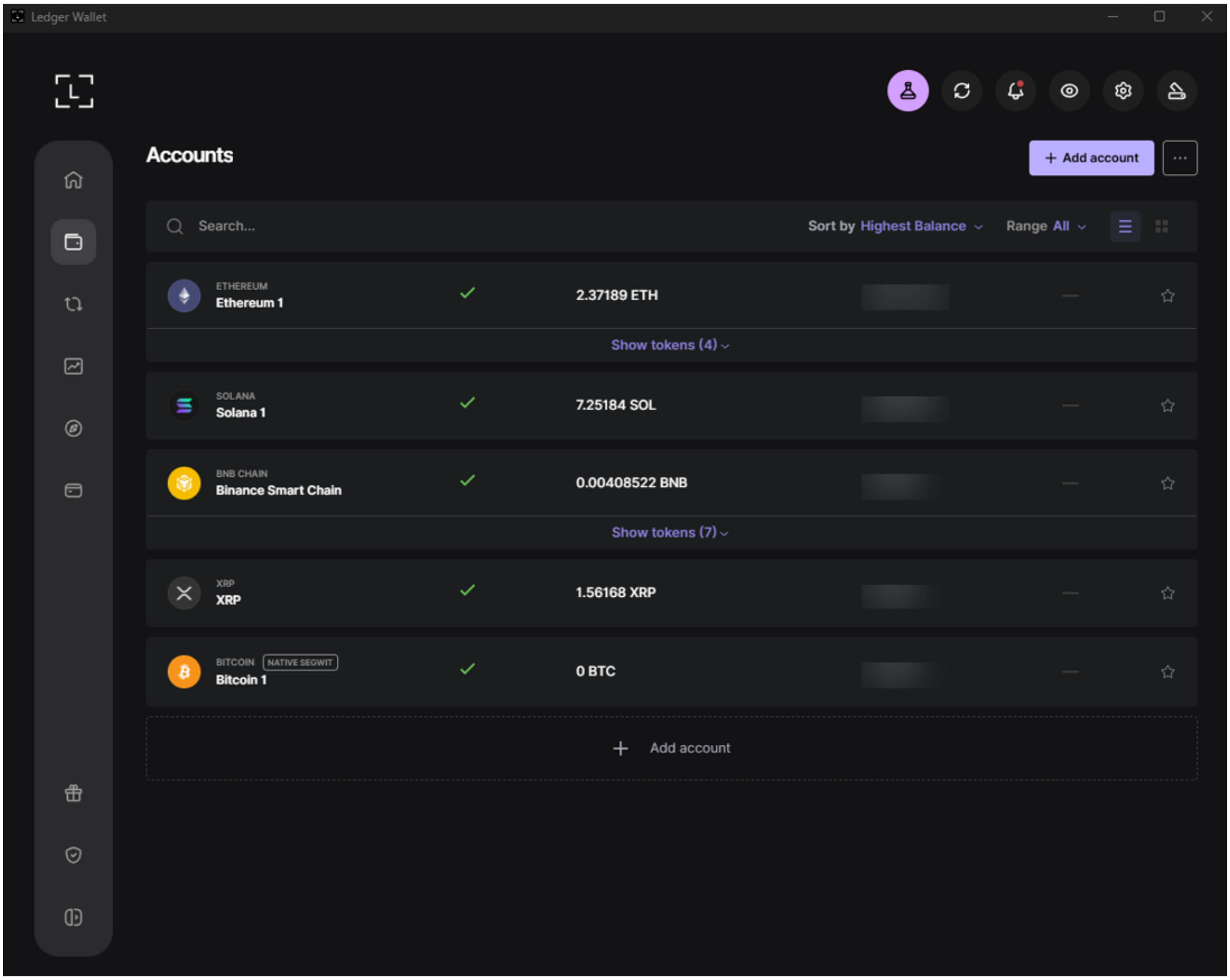


It looks like you have two different digital assets you can withdraw. Which one are you going to be moving?

“The Bitcoin”

What did you do next?

“The next thing I did is I went to the app for my Ledger, which is called Ledger Live (the self-custody wallet I am going to move the funds to. I wanted to confirm that the Ledger account has a Bitcoin account to receive the bitcoin I am transferring from Coinsquare. This is what the Ledger Live app looks like.”



Jonathan, why are there assets here that are not on the Coinsquare account?

"Because I already have digital assets on my Ledger before the transfer of Bitcoin. You can see that before the transfer of the Bitcoin I have Etherium, Solana 1, Binance Smart Chain and XRP on the Ledger. You can also see I have a Bitcoin account with 0 Bitcoin. That is where I am going to transfer the Bitcoin to.

Some of my digital assets are held on Coinsquare and some are held on the Ledger.

So my understanding is that you hold digital assets in two different places (Coinsquare and the Ledger). Do you hold digital assets anywhere else?

I used to hold them on some different exchanges. Those exchanges went out of business.

Jonathan, I am going to need the records from the exchanges that "went out of business". Please provide them to me.

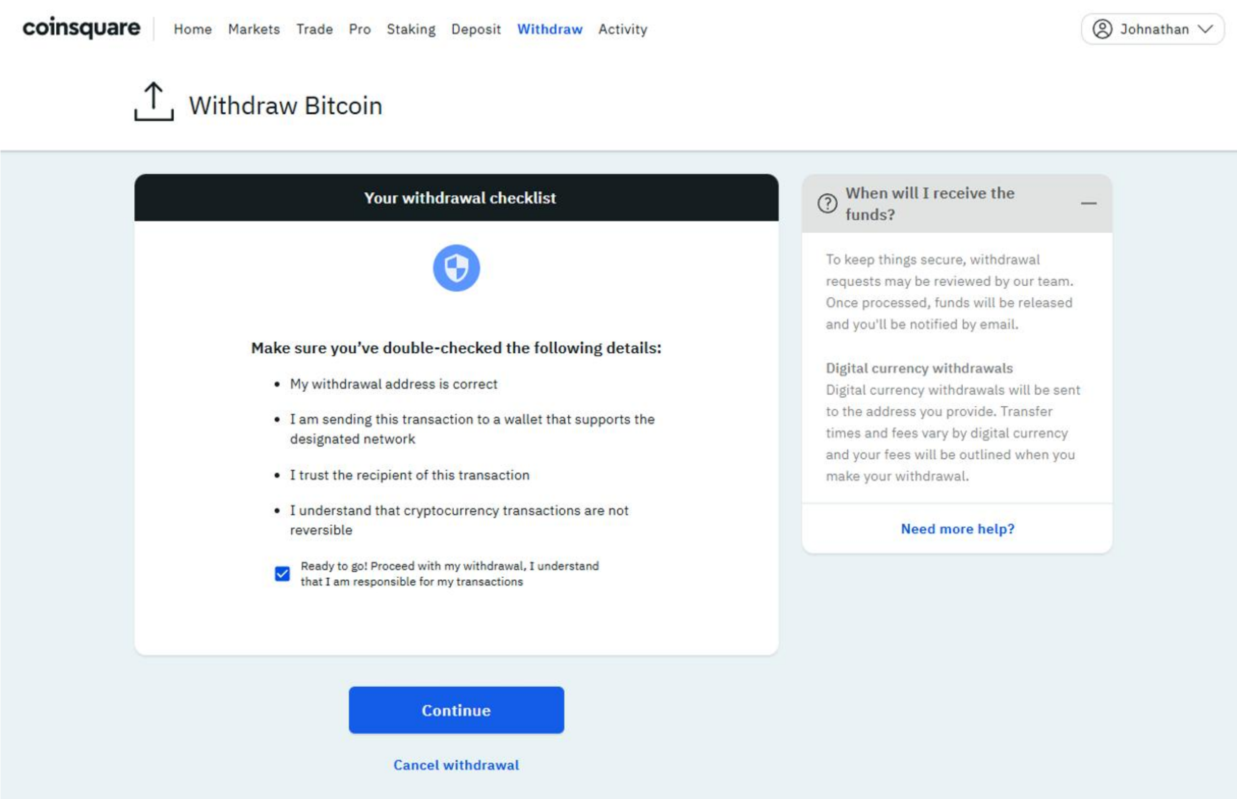
"I can't. I tried to get those records but they are not available. I should have exported and downloaded them at the time but I did not. I did move those assets to my Ledger before the exchanges went under so you can see they show up on my Ledger."

I am going to need you to make best efforts to provide a record for the transactions on the accounts you say you can't get access to - please do so.

"I can try but the possibility of getting any records is unlikely. The best I can do is try to piece together transactions from bank statements and emails that confirm transactions."

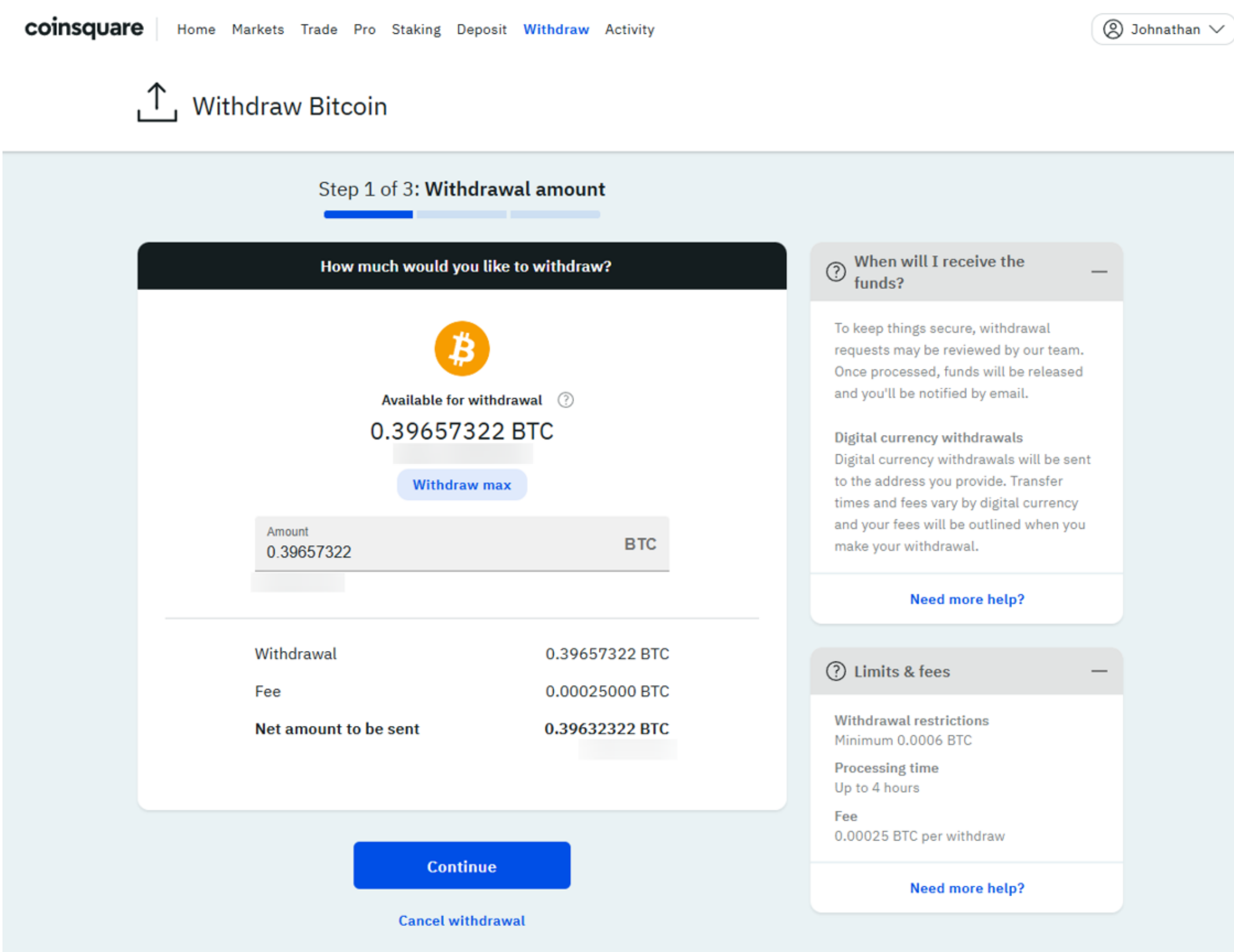
We will have to revisit those records later as I will need to ask more questions about that. Moving back to the transaction from Coinsquare to your Ledger, what happened next?

"I went back to Coinsquare to initiate the withdrawal. Coinsquare showed me a page to confirm that I wanted to withdraw the Bitcoin and made me confirm some warnings. This is what it looked like."



After you confirm you accept the risk, what is the next step?

"On the coinsquare website I entered the amount of Bitcoin for withdrawal. In this case I wanted to withdraw all of my Bitcoin from Coinsquare. As you can see, Coinsquare charged me a fee for the withdrawal. This is what it looked like. Later I will show you how knowing these amounts help to match the exchange to the on-chain transaction"

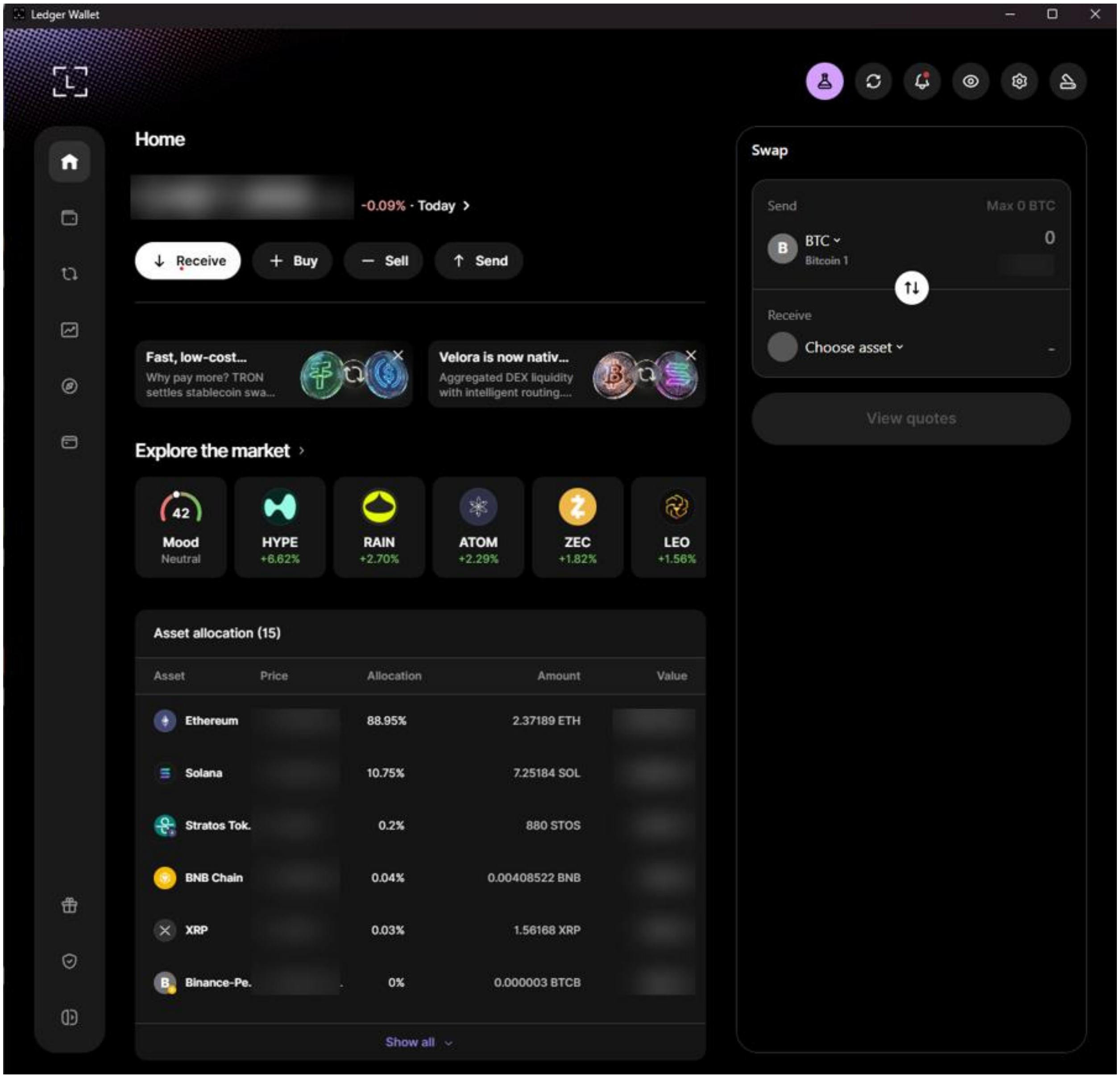


What happens next?

"Coinsquare prompts me to enter the destination address for the withdrawal. This is where I enter the address for my Ledger that I want the Bitcoin to go to. The destination address is the evidentiary bridge between the Coinsquare account and my Ledger.

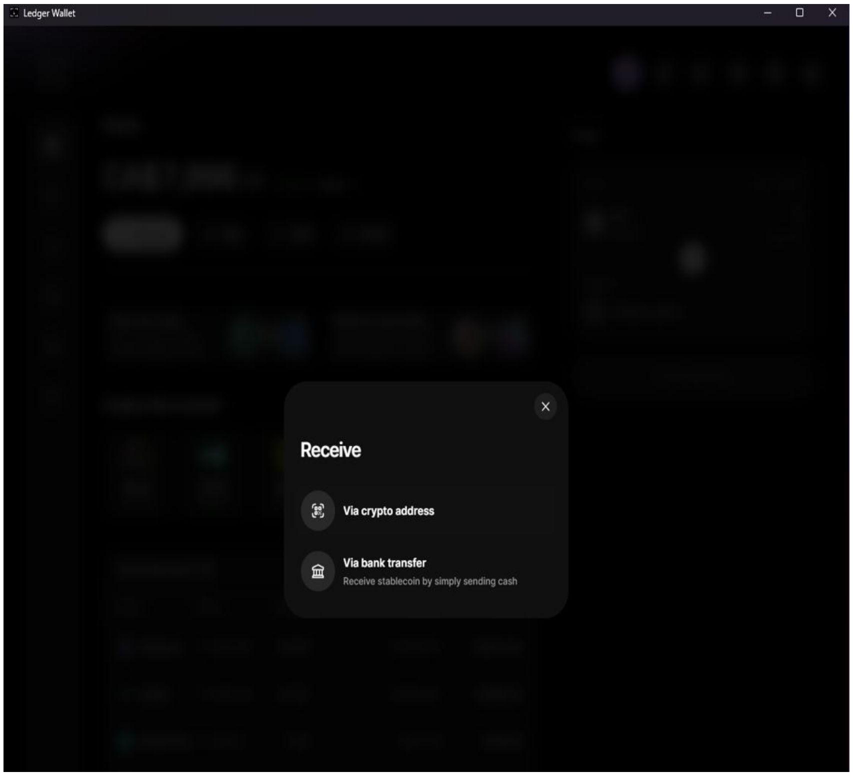
How do you find the address for your Ledger?

"I went back to my Live Ledger App and scrolled to "receive". This is the first step in generating a Crypto address. This is what it looks like:

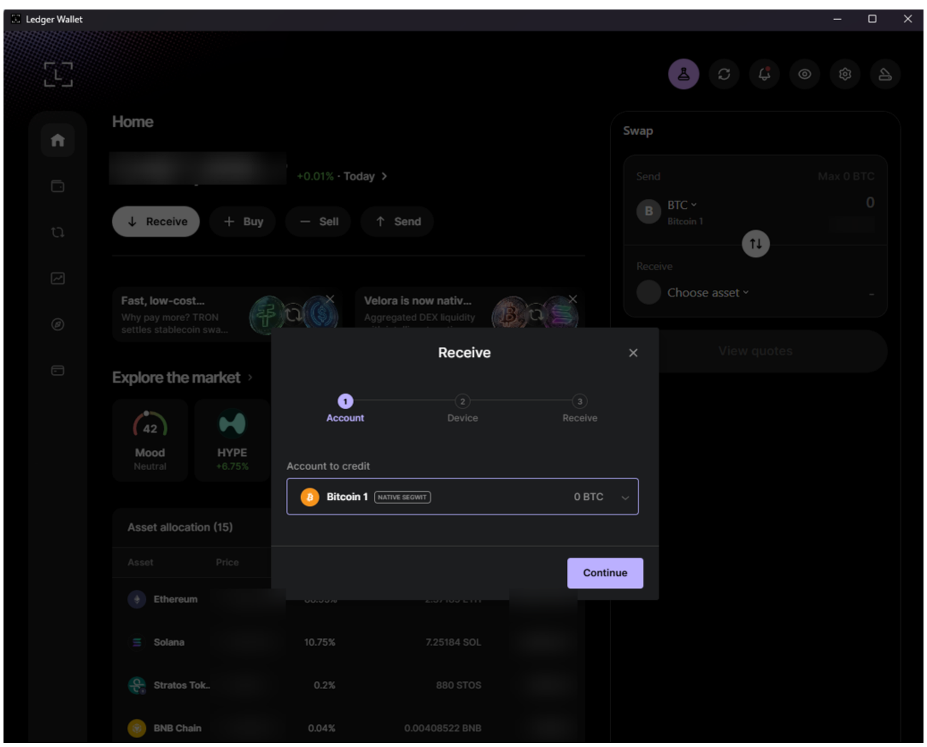


Jonathan, I looked at your screenshot above. It does not show an address – how do you get the address?

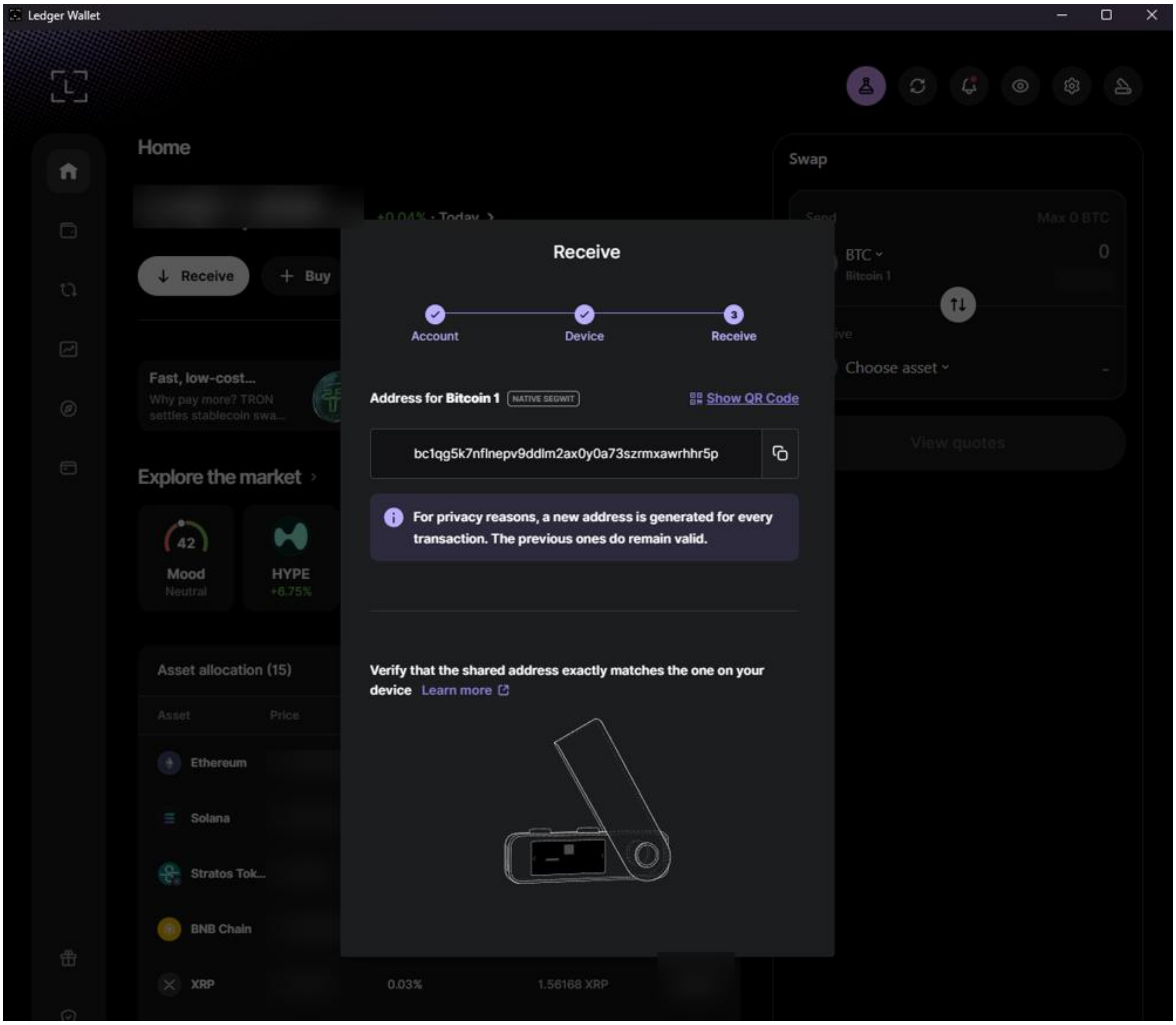
"There are a few more steps. First, I have to instruct Ledger Live I want to get the digital assets via crypto address. This is what it looks like:



Then I select where I want to receive the digital asset. In this case I want to receive the Bitcoin from Coinsquare into my Ledger Bitcoin Account. This is what it looks like:

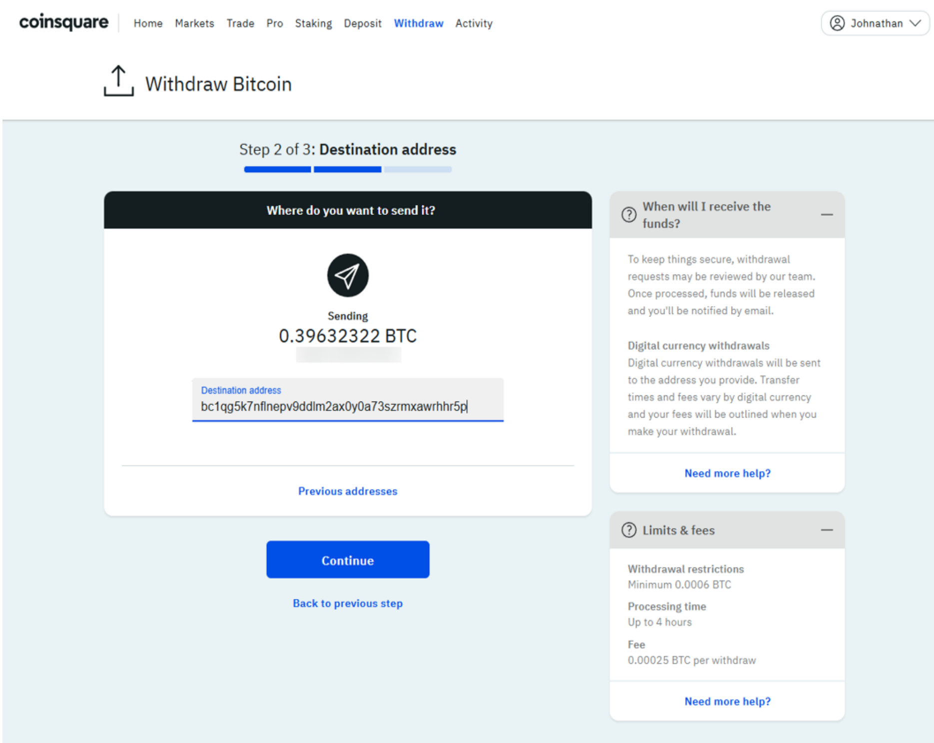


Next, I have to unlock my Ledger to allow for the transfer. This requires me to physically unlock the Ledger by entering a code. It is sort of like how you would unlock a cell phone. Finally, when my Ledger is unlocked, the Live Ledger App will give me an address for the transfer. This is what it looks like. Note that for every transfer, a new address is generated.

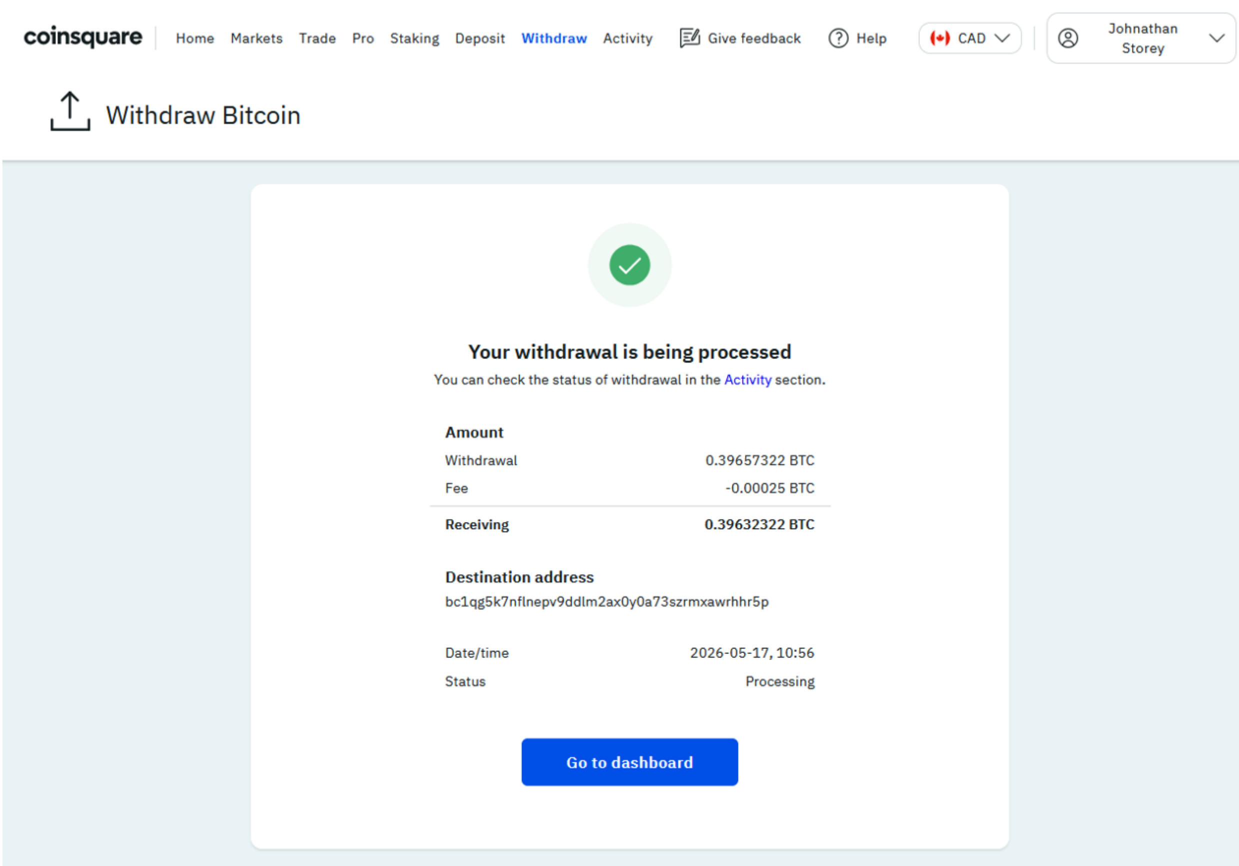


Okay, Jonathan, What happens next?

I go back to my Coinsquare account. I input the address from my Ledger into the receiving address field on Coinsquare. This is what it looks like:

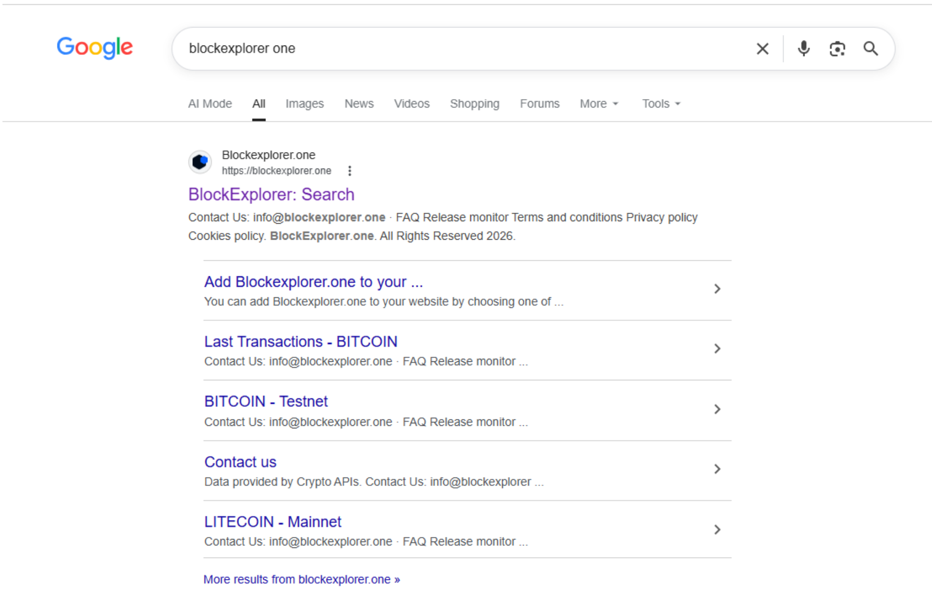


And then I initiate the withdrawal. This is the page I see on the Coinsquare App:

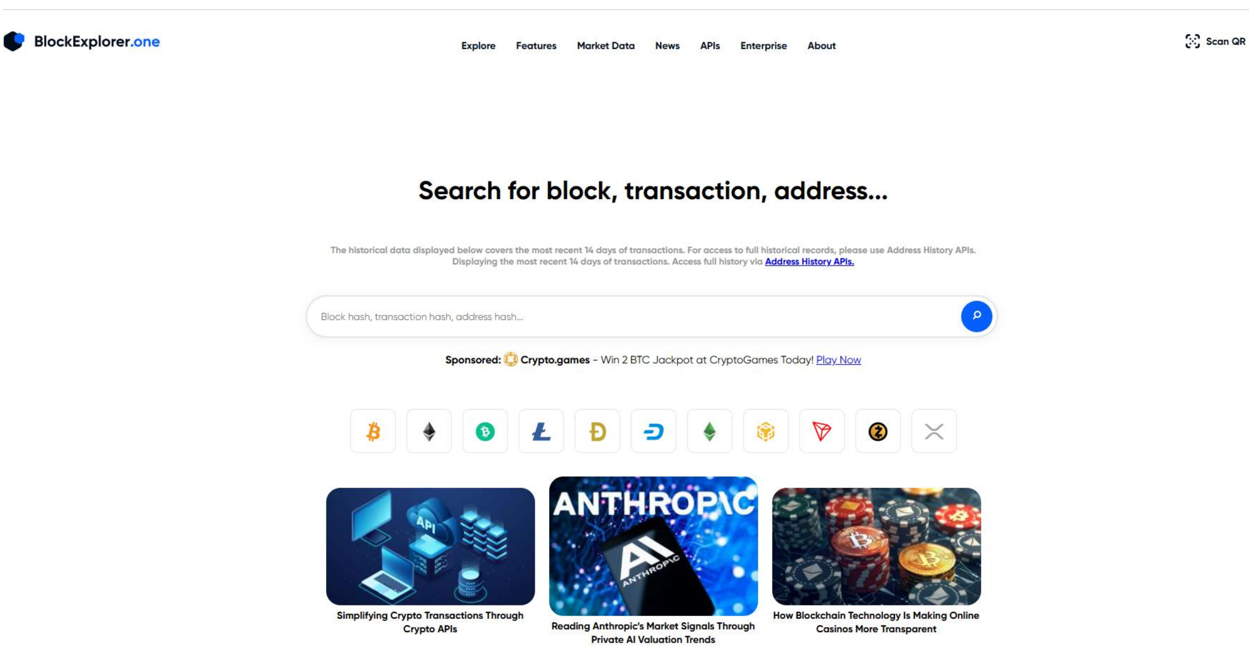


Now how do we check this transaction on block?

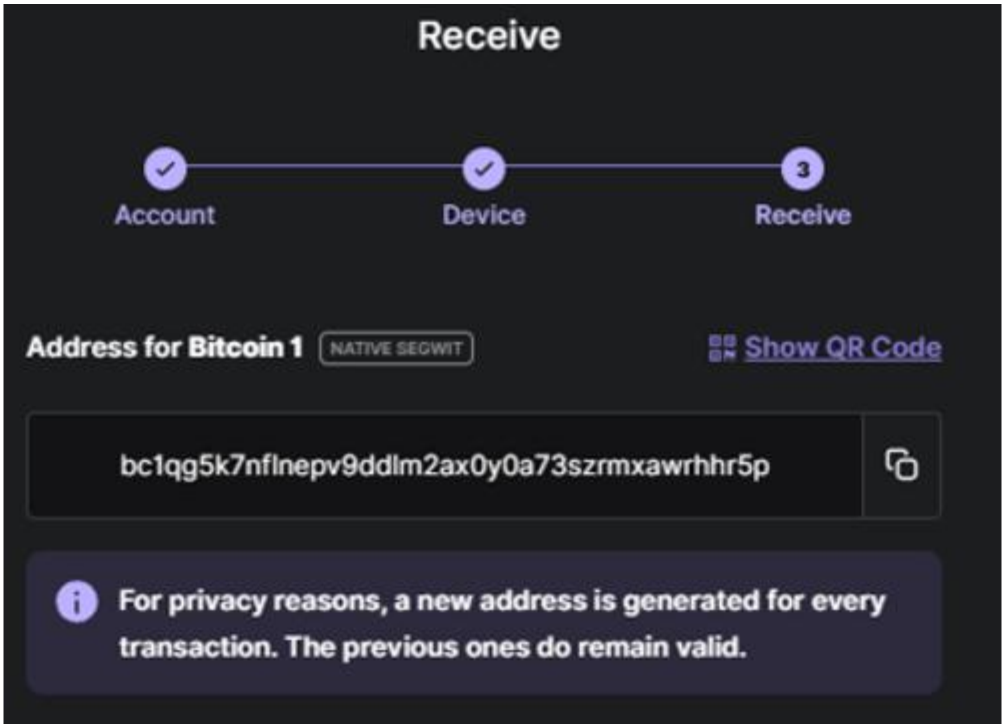
First, go to a website that has a blockchain explorer such as www.blockexplorer.one



The website will have a search bar you can type in the address you want to trace the transaction for:

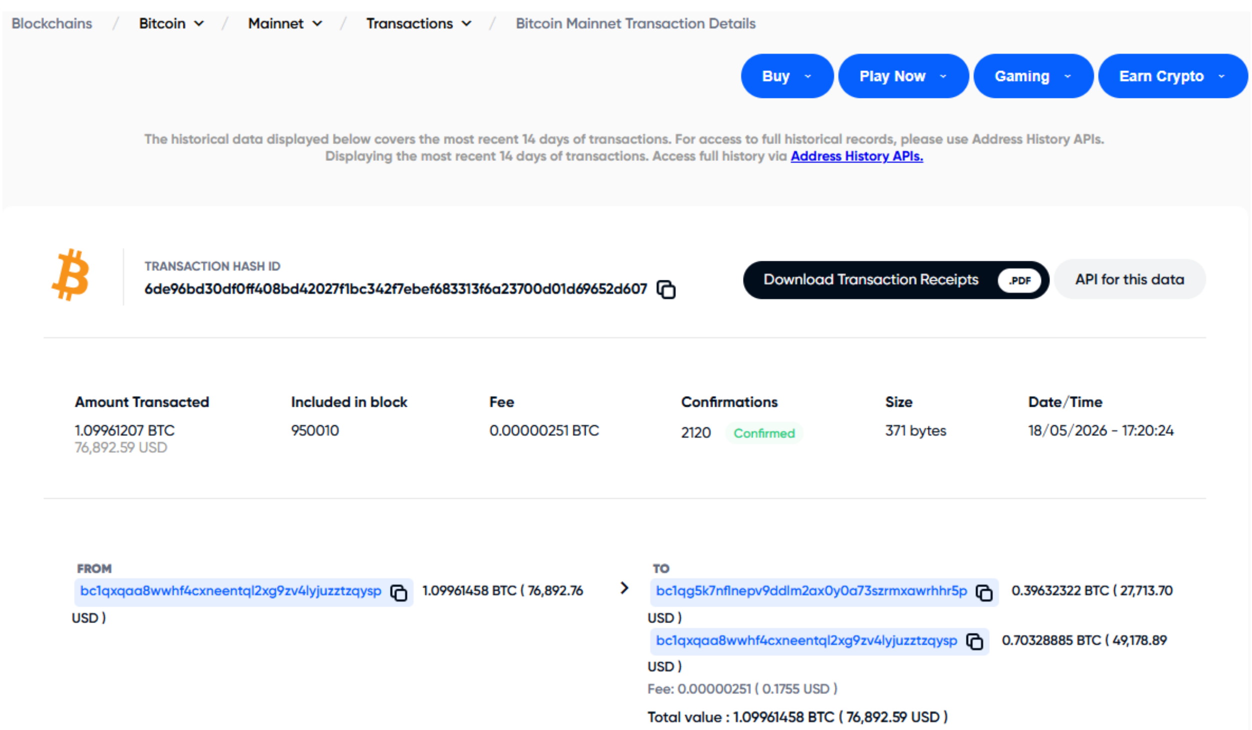


Then type in the address from the transaction you are trying to trace. In this case I used the receive code on my ledger:



Then, type in the address of the transaction: “bc1qg5k7nflnepv9ddlm2ax0y0a73szrmxawrhhr5p”.

The website will produce the transaction record:



You can see the address the bitcoin came from (being the Coinsquare account) and the address where the bitcoin went to (being the Ledger). You can also get more details including the date and time of the transaction (May 19, 2026) and the value of bitcoin when transacted.

Details

Status	Confirmed
Size in Bytes	371
Date/Time	19/05/2026 - 00:20:24 UTC
Included in block	950010
Confirmations	2120
Total Input	1.09961458 BTC
Total Output	1.09961207 BTC
Fees	0.00000251 BTC
Fee per byte	6.765498652291106e-9 BTC
Value when transacted	76,892.59 USD

Schedule D: Sample Interview with Betty

CASE STUDY: Evidence of Market Value

"...Just as values reflected on the New York Stock Exchange (NYSE) or other public market reports are commonly relied upon when valuing stocks or bonds, practitioners should introduce (and courts should consider) values assigned to particular cryptocurrency coins on the largest cryptocurrency exchanges".[52]

For example, Betty comes to you on December 12, 2025 seeking help on a limited scope retainer.

She wants help putting together a settlement offer to send to Dan.

Betty tells you she has one Bitcoin. She says she wants to use December 11, 2025 as the date to value her Bitcoin for the purposes of the offer.

Betty states she does not want to get a professional valuation of her Bitcoin.

Betty has brought three screenshots into your office to show the value she wants to use for her Bitcoin. She got these online.

Here is what Betty shows you:

Example 1:

Betty has brought in a screenshot of a historical value from www.coinmarketcap.com:

[52] Stephanie L. Tang, "Cryptocurency, NFTs, and the "Metaverse: Addressing the Expanding World of Virtual Assets in Divorce Proceedings" (2022) 127:1 Penn State Law Rev at pp 48-49.

5/29/26, 12:32 PM Bitcoin Price History and Historical Data | CoinMarketCap

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Bitcoin Price History

Daily Weekly Monthly

12/10/2025 -12/10/2025

Download CSV

Access data via API

Date	Open*	High	Low	Close**	Volume	Market Cap
Dec 11, 2025	$92,011.30	$93,554.27	$89,335.30	$92,511.34	$64,532,834,621	$1,846,654,862,645
Dec 10, 2025	$92,695.23	$94,477.16	$91,640.13	$92,020.95	$65,420,694,513	$1,836,582,077,911

Example 2:

Betty has brought in a screenshot of a historical value from Yahoo ca.finance.yahoo.com

Summary News Chart Community Historical Data Profile

Cryptocurrency • USD

Bitcoin USD Price (BTC-USD) ☆

73,193.90 -124.48 (-0.17%)

As of 7:29:39 p.m. UTC. Market Open.

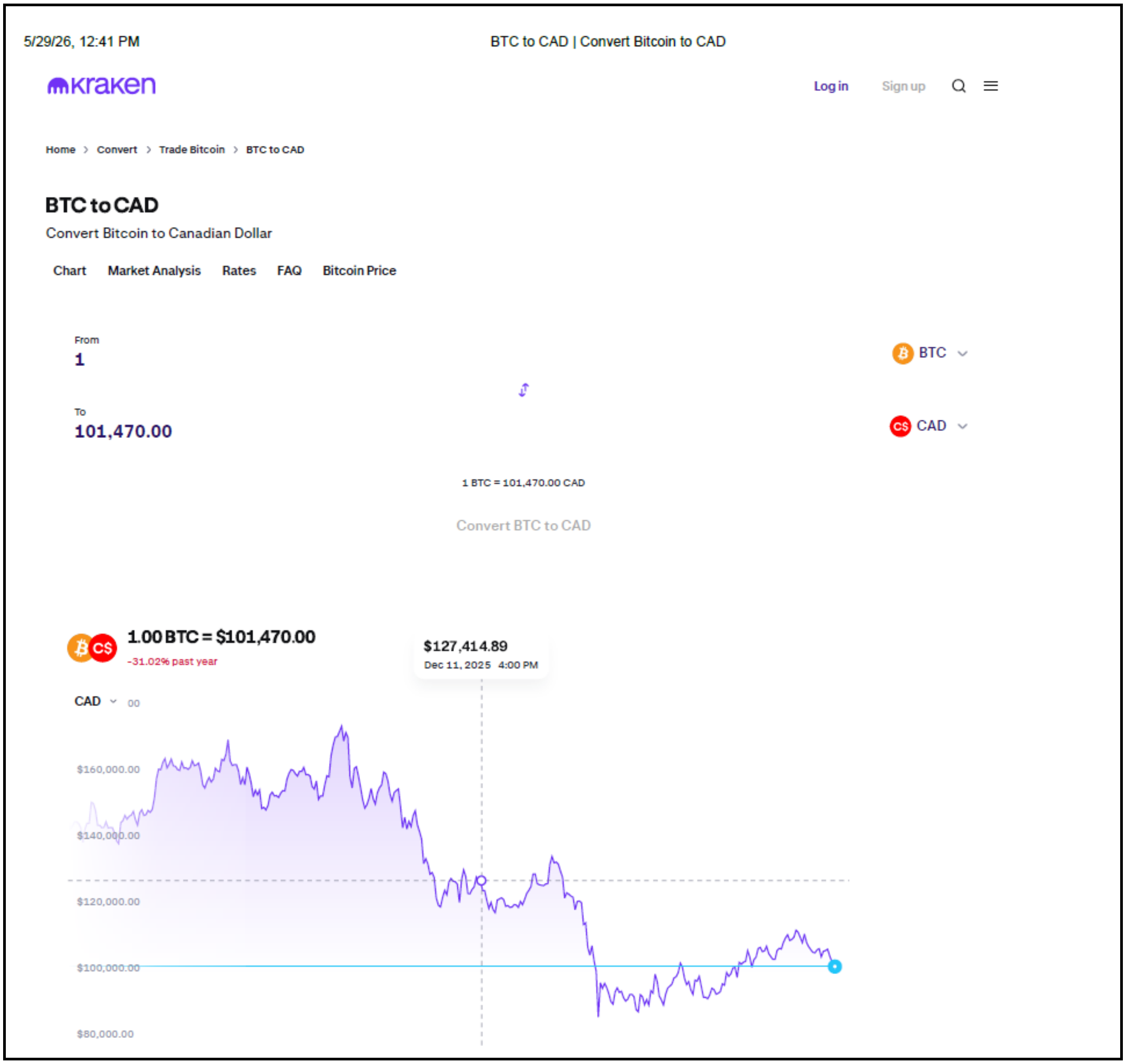
Dec 11, 2025 - Dec 12, 2025 ⌄ Historical Prices ⌄ Daily ⌄

Currency in USD Download

Date	Open	High	Low	Close	Adj Close	Volume
Dec 12, 2025	92,513.66	92,747.93	89,532.60	90,270.41	90,270.41	80,275,884,583
Dec 11, 2025	92,011.30	93,554.27	89,335.30	92,511.34	92,511.34	64,532,834,621

Example 3:

Betty has brought in a screenshot of a historical value from kraken.com/convert/btc/cad:



Timing of Valuation

In some scenarios, very specific evidence of timing might be required to value cryptocurrency. For example, in May of 2021 Bitcoin's price plunged nearly 30% in one day.[53]

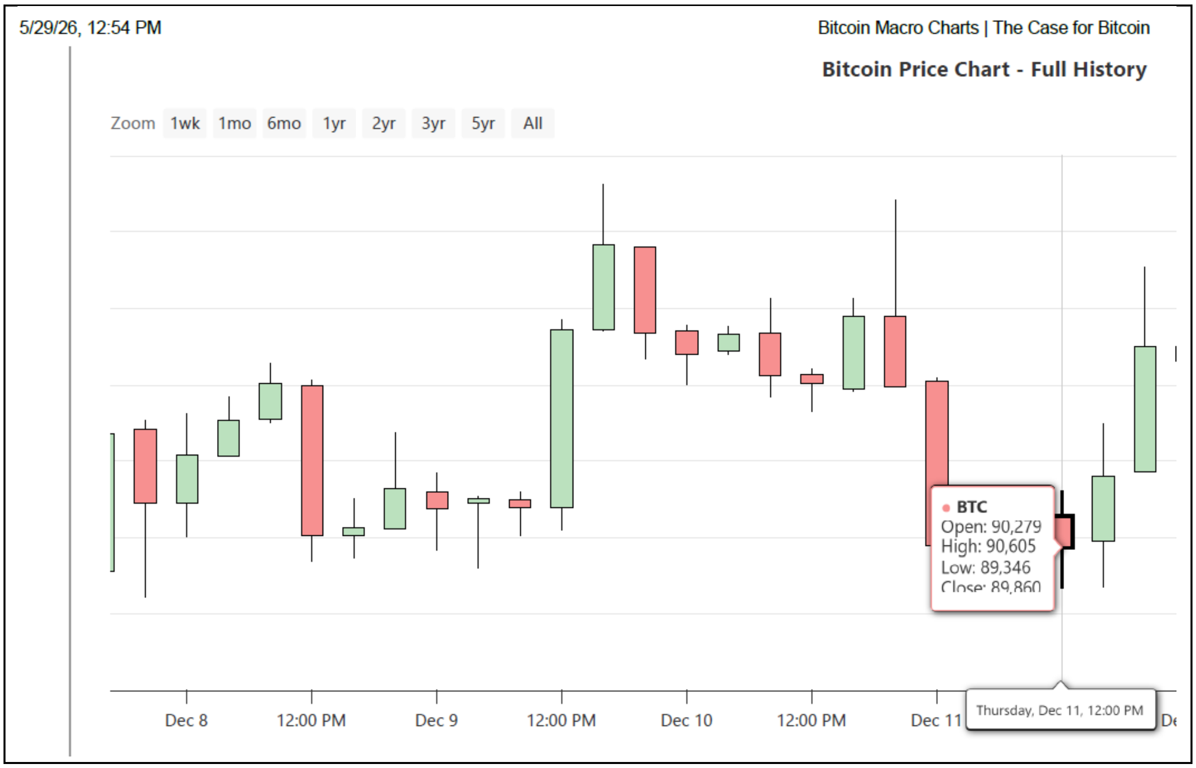
In an unlikely scenario, the parties may have evidence of the date *and time* of their separation. Say, a text message crystalizing the exact moment of separation with no conduct of reconciliation afterwards.

For example, Betty and Alan have called it quits at 10:43 a.m. on December 11, 2025. Betty

[53] Kalyeena Makortoff, "Bitcoin: why the cryptocurrency is crashing after rapid gains", *The Guardian* (19 May 2021), online: <https://www.theguardian.com/technology/2021/may/19/bitcoin-what-is-it-and-why-is-it-crashing-cryptocurrency>.

texts Alan: “Welcome to dumpsville, population, you. I have moved your belongings to your sisters. Do not come home.” Alan replies,: “A better population to be in than that of your husband. I never want to speak to you again.” And in fact, Betty and Alan never live together or speak again.

Online cryptocurrency resources can give us a quite specific value of, for example, one Bitcoin, at noon on that day, with earlier and later time readings. See for example a historical date and time chart from www.casebitcoin.com:[54]



[54] Note this chart is from www.casebitcoin.com/chats. Other online exchanges have similar resources, for example www.binance.com (the world's largest crypto exchange by transaction).