Contract law and platforms: Comparison with Switzerland

Dr Alexander Ressos, TEP
Attorney-at-Law (Switzerland and Germany),
Solicitor (England & Wales and Hong Kong)
Of Counsel, KGP Legal LLC
alexander.ressos@kgplegal.com.sg
www.ressos.com.sg

Swiss contract law reaches many of the same results by different means. The Code of Obligations does not know a general reasonableness test for exclusion clauses. It prohibits the exclusion of liability for gross negligence and intent under Art. 100 CO, and for any negligence where the liability arises from a licensed business under Art. 100 para. 2 CO.[1] Art. 8 of the Unfair Competition Act (UCA, UWG) renders void standard terms used against consumers that, contrary to good faith, create a significant and unjustified imbalance between the parties' rights and obligations. The Swiss rules on mistake in Art. 23 ff. CO allow a party to avoid a contract for a fundamental error, including an error as to a fact the party regarded as a necessary basis of the contract, subject to the counterparty's good faith. A Swiss court faced with the *Quoine* facts might well have found a fundamental error under Art. 24 para. 1 no. 4 CO, but would then have had to decide whether B2C2 had to be aware of it. The Swiss analysis is in Part D, Chapter V. For a group operating on both sides, the practical point is that the Singapore terms and the Swiss terms cannot be identical. The Swiss terms must respect Art. 100 CO and Art. 8 UCA. The Singapore terms must survive the Unfair Contract Terms Act. A master template with jurisdiction-specific riders is the usual solution.

© 2026 Dr Alexander Ressos. General information only, not legal, tax or investment advice. No client relationship is created. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. More information at SingaporeIQ.com and ressos.com.sg.

Client question

"Our exchange's terms say that we may reverse any trade we consider erroneous. After *Quoine*, is that enough?" Only if the clause is in the account terms the customer accepted, states an objective trigger such as a percentage deviation from a reference price, and sets a time limit. A clause that leaves the decision to the platform's unqualified discretion is exposed under s 3(2)(b) of the Unfair Contract Terms Act against retail customers. It will also be construed narrowly against the platform, as *Quoine* construed the Aberrant Value Clause. The reversal should be documented contemporaneously with the market data that justified it, because the counterparty of the cancelled trade will ask for that data.

Pitfalls

The commonest error on the platform side is relying on documents that were never incorporated. Risk warnings, fee schedules, trading rules and "policies" published on a help page do not bind customers who did not accept them. The commonest error on the customer side is assuming that regulatory rules create contractual rights. They rarely do. A customer who wants a right should look for it in the terms and, if it is absent, should ask for it or go elsewhere. Institutional clients routinely negotiate side letters with licensed custodians covering segregation, reporting, sub-custody and insurance. Retail clients cannot, which is the reason the regulator has stepped in.

Notes

1. Art. 100 and 101 CO (SR 220). ↩

© 2026 Dr Alexander Ressos. General information only, not legal, tax or investment advice. No client relationship is created. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. More information at SingaporeIQ.com and ressos.com.sg.

Disclaimer

This article is provided for general information only. It is based on publicly available sources as at its date of publication. These sources have not been independently verified against licences, regulatory registers or the records of the entities concerned. It is not legal, tax, financial or investment advice. Nor is it a recommendation to invest in, transact with or use the services of any entity mentioned. Law and regulation change frequently, so the content may be incomplete or outdated. To the fullest extent permitted by law, Dr Alexander Ressos and the publisher of SingaporeIQ exclude all liability for loss or damage arising from the use of or reliance on this article. Readers should obtain advice on their specific circumstances before acting or refraining from action.

Names and trademarks of the entities discussed belong to their owners and are used for identification only. Their mention implies no endorsement, affiliation or allegation of wrongdoing. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. Corrections and updates: contact@ressos.com.

© 2026 Dr Alexander Ressos. This article may be quoted with attribution to SingaporeIQ (SingaporeIQ.com). Reproduction in full and any commercial use require prior written consent. The Legal Terms at https://singaporeiq.com/legal-terms apply.

Author contact: Dr Alexander Ressos, TEP · contact@ressos.com