Platform-specific clauses and how courts read them

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Clause	Typical wording	Risk for customer	Singapore treatment
Ownership of deposits	"All digital assets deposited are the property of the platform"	Unsecured creditor on insolvency	Enforceable; defeats trust (Chapter II)
Irreversibility	"Executed orders are final and cannot be reversed"	Protects customer against platform reversal	Enforced against platform in *Quoine*
Erroneous trades	"Trades more than 20 % from reference may be cancelled within 30 minutes"	Profits from malfunction reversed	Enforceable if incorporated
Suspension and freezing	"We may suspend your account at our sole discretion"	Loss of access during volatility	Subject to UCTA s 3(2)(b) reasonableness

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Clause	Typical wording	Risk for customer	Singapore treatment
Socialised losses or clawback	"Losses from liquidations may be allocated across profitable positions"	Profits reduced by others' defaults	Enforceable between sophisticated traders; doubtful for retail
Staking and lending authority	"We may stake or lend customer assets and retain rewards"	Loss on slashing or counterparty default	Negates trust unless rewards held for customer
Limitation of liability	"Liability capped at fees paid in the preceding twelve months"	No recovery for lost assets	Reasonableness test; weak against retail
Variation	"Continued use after notice constitutes acceptance"	Terms change after deposit	Enforceable if change fairly notified
Governing law and forum	Offshore law, offshore arbitration	Cost of enforcing rights	Stay of Singapore proceedings under IAA s 6 if arbitration agreement valid

The last row deserves comment. Where the platform's terms contain an arbitration clause, a Singapore court must stay proceedings brought in breach of it under s 6 of the International Arbitration Act 1994 unless the agreement is null and void, inoperative or incapable of being performed.[1] Singapore courts apply this strictly. A retail customer with a S$ 50,000 claim who faces an arbitration seated in the Cayman Islands under rules with a US$ 20,000 filing fee has in practice no remedy. The customer's answer is to argue that the clause is unreasonable under the Unfair Contract Terms Act or that the dispute concerns a proprietary claim to trust assets which falls outside the clause's scope. Neither argument has yet been tested in a reported Singapore crypto case.

Notes

1. International Arbitration Act 1994, s 6. ↩

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