Private credit and receivables

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Tokenised private credit, in which loans to businesses are originated, funded and serviced through tokens, grew rapidly in 2024 and 2025 through protocols such as Centrifuge, Maple and Goldfinch and through institutional platforms. The token represents a participation in a loan or a pool of loans. The borrower is an identifiable company that has signed a loan agreement under some governing law. The lenders are token holders who may be pseudonymous.

The legal structure under both Swiss and Singapore law is a loan participation or a securitisation. If the token represents a direct claim against the borrower, the borrower has issued a debt security and the FinSA prospectus regime or the SFA debenture regime applies. If the token represents a share in a pool managed by a platform, the pool is a collective investment. If the platform holds the loan and passes through the cash flows, the token is a claim against the platform. The author has seen all three described as "tokenised private credit" in a single offering document, so the first task is to establish which the client has built. The enforcement question, which asks how pseudonymous token holders enforce a loan against a defaulting borrower, is usually answered by appointing a security agent or trustee who holds the loan and acts for the holders. That agent is a financial intermediary under the AMLA and is likely to need a licence in Singapore.

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Singapore perspective

A Singapore VCC that wants to hold tokenised real-world assets in a sub-fund can do so, provided its custodian can custody the tokens, its administrator can value them and its auditor can verify the link between token and underlying. In practice this confines the VCC to tokens issued by regulated institutions with published reconciliation processes. For the VCC's own units, the fund may issue tokenised units through a registrar that treats the token as a transfer instruction, as the Project Guardian funds have done, but the register of members under the Variable Capital Companies Act 2018 remains the authoritative record. Part M, Chapter IV and Part P, Chapter VI treat the fund structuring and tax.

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