Stages eleven and twelve: governance and incidents

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

The transition from a founder-controlled launch to community governance is where the securities analysis is tested over time. Both regulators accept that a token whose issuer retains control of the protocol and the treasury looks more like an investment in the issuer's efforts than a token whose holders govern. The governance roadmap should therefore be published at launch and followed. A foundation whose board remains the only party able to upgrade the protocol three years after launch invites the question whether the token was ever decentralised. Part E (Chapter IX) together with Part K (Chapter IX) discusses the "sufficient decentralisation" question in each hub.

Incident planning is the stage most launches omit. The three incidents that recur are reclassification (a regulator decides the token is a security), delisting (an exchange removes the token, often because of the first) and exploit (the protocol or the treasury is hacked). Each needs a pre-agreed decision path: who decides, who communicates, which counsel is instructed in which jurisdiction, and what the issuer says to holders. Part H (Chapter V) together with Part N (Chapter III) sets out the asset-tracing first steps after an exploit. Part Q, Chapter II, has the checklist.

© 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.

Zug perspective

A founder planning a token launch from Zug should expect the sequence to take nine to fifteen months from classification opinion to listing. Legal, regulatory and audit fees across both hubs run between CHF 250,000 and CHF 600,000 before exchange listing fees and market-making deposits. The Swiss side is faster and cheaper, because a payment or utility token needs an SRO affiliation and a white paper and nothing more. The Singapore side is where the cost rises, because any dealing in the token by a Singapore entity needs a PSA licence and because marketing to the Singapore public is barred. The economical structure is a Zug issuer with no Singapore distribution to the public and institutional relationships in Singapore that fall within the SFA exemptions.

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