# Stages seven to nine: listing, lock-ups and market-making

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

## Listing agreements

Centralised exchanges list tokens under agreements that are drafted by the exchange, are rarely negotiable in their core terms and impose obligations on the issuer that the issuer's legal team should read as regulatory undertakings. The standard terms require the issuer to warrant that the token is no security in specified jurisdictions and to provide a legal opinion to that effect. They require disclosure of the token distribution and vesting, notification of material events, abstention from market manipulation and an indemnity in favour of the exchange. Listing fees, market-making deposits and "marketing commitments" are paid in tokens or stablecoins and must be accounted for in the issuer's books as expenses or as consideration for services. A foundation that pays a listing fee of several hundred thousand dollars' worth of tokens to a foreign exchange is making a payment that its supervisory authority may ask it to justify against its purpose. The Zug tax administration will treat it as an expense only if documented.

© 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.

## Lock-ups and vesting

Lock-ups serve two purposes. They align the team and the early investors with the project over time, while signalling to the market that the float is controlled. They are also the point at which the tax and securities questions of Chapter I return, because the release of a lock-up is a vesting event for a Swiss employee and a receipt for a Singapore one. The lock-up terms should therefore be fixed in the token plan, the SAFTs and the warrants consistently. The tax planning of Chapter I should be built around the release schedule. A lock-up that is enforced by smart contract is better evidence than one enforced by contract alone, because both regulators and both tax administrations can verify it on-chain.

## Market-making and market abuse

Issuers engage market-makers to provide liquidity on exchanges after listing. The agreements take two forms: a loan of tokens to the market-maker with a call option at a fixed price, or a retainer with the market-maker trading the issuer's tokens on the issuer's account. Both forms sit close to the market-abuse perimeter. Switzerland's Financial Market Infrastructure Act prohibits market manipulation in securities admitted to trading on a Swiss trading venue, with criminal provisions that likewise apply to securities. A token that is no security and is traded only on foreign venues is outside the statutory prohibition. The Criminal Code's fraud provision and the general law of tort remain available.[1] Singapore's Securities and Futures Act prohibits false trading and market rigging in capital markets products, and MAS has stated that it will treat manipulation of digital payment token markets by licensees as a breach of their licence conditions and of the fit-and-proper requirement.[2]

The structuring answer is a market-making agreement that confines the market-maker to two-sided quoting within defined spreads. It prohibits wash trading, spoofing and coordinated trading with the issuer. It requires reporting of inventory and trades to the issuer's compliance function and fixes the option price in advance by reference to a verifiable benchmark. The loan-and-option structure is the more

© 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.

dangerous one, because it gives the market-maker an incentive to depress the price before exercising the option, and several of the enforcement cases in Part N concern that incentive.

## Practice note

Before signing a market-making agreement, the issuer's board should be able to answer four questions in writing. What tokens does the market-maker receive, from which allocation, and are they counted in the circulating supply disclosed to exchanges? What is the market-maker permitted to do with them beyond quoting? How and when is the option price fixed, and who verifies the benchmark? What reports does the issuer receive, and who reads them? A board that cannot answer these questions is exposed to the charge that it facilitated manipulation of its own token.

# Notes

1. Financial Market Infrastructure Act of 19 June 2015 (FinMIA; FinfraG), SR 958.1, Art. 143 (market manipulation: administrative prohibition for securities admitted to trading on a Swiss trading venue or DLT trading facility) and Art. 155 (criminal market manipulation); Swiss Criminal Code (SCC; StGB), SR 311.0, Art. 146 (fraud). Part E, Chapter X, and Part H, Chapter I. ↩
2. Securities and Futures Act 2001, ss. 197 to 201 (false trading, market rigging, manipulation of capital markets products); MAS, "Response to Public Consultation on Proposed Measures on Market Integrity in Digital Payment Token Services", 2 July 2023 (licensees to establish policies against unfair trading practices). Part K, Chapter III, and Part N, Chapter I. ↩

© 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