The eighteen months that made the law

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

Between July 2022 and the end of 2023 the General Division of the High Court, in almost every case through Aedit Abdullah J, dealt with five digital-asset insolvencies. They concerned a crypto lender (Vauld, through its Singapore entity Defi Payments Pte Ltd), a crypto exchange group (Zipmex), a yield platform (Hodlnaut), a hedge fund (Three Arrows Capital) and a crypto lending and asset-management group (Babel Finance). The cases arose from a single cause, the collapse of the Terra ecosystem in May 2022 and the cascading failures that followed. Together they tested every tool in the Insolvency, Restructuring and Dissolution Act 2018 (IRDA): the scheme moratorium under s 64, judicial management, winding up, the recognition of foreign proceedings under the UNCITRAL Model Law and the scheme of arrangement itself. This chapter reads the cases as a body and asks what they mean for the customer of a Singapore platform, for the platform's directors and for the Swiss creditor or Swiss group company caught in the proceedings.

The Swiss comparison runs through the chapter. Switzerland answered the customer-asset question by statute in 2021. Art. 242a DEBA gives the customer a right to the segregation of crypto assets that the bankrupt custodian held for him, provided they were either allocated individually or held collectively and readily

© 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.

attributable (see Part D, Chapter IV and Part H, Chapter VII). Singapore has no such provision. The customer's position depends on the terms of service, on the general law of trusts and, since 2023, on the segregation duties MAS imposes on licensed digital payment token service providers (see Part K, Chapter II). The Singapore cases therefore turned on contract interpretation in a way the Swiss cases do not.

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