Staking, Lending and Yield in Singapore: the Swiss comparison

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Switzerland reached a different equilibrium through its banking law. FINMA's Guidance 08/2023 on staking distinguishes between staking in which the custodian keeps the tokens available to the customer at all times and staking in which the tokens are locked. It treats the former as compatible with custody segregation under Art. 16 BankA while flagging the latter as a potential deposit (see Part E, Chapter VIII). The result is that Swiss banks and SRO-affiliated custodians offer staking to retail customers within defined parameters. The customer's protection comes from the segregation rules of the Banking Act and Art. 242a DEBA. Lending platforms that take tokens for their own account are deposit-takers and need a banking or fintech licence, which has kept the Hodlnaut model out of Switzerland.

The two systems protect the customer by different means. Switzerland regulates the provider's balance sheet: if the tokens are the provider's, it is a bank. Singapore regulates the customer's access: if the customer is retail, the product does not exist. For a group operating in both hubs, the practical division is that retail yield products belong in the Swiss entity under its banking or SRO status, while the Singapore

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entity offers staking only to professional clients. A founder whose business is retail yield belongs in Zug and should expect FINMA's deposit analysis to determine the licence.

Question	Switzerland	Singapore
Retail custodial staking	Permitted within FINMA Guidance 08/2023 parameters	Prohibited for DPT licensees
Retail token lending to provider	Deposit-taking; banking or fintech licence required	Prohibited for DPT licensees; debenture analysis for others
Institutional staking	Permitted; segregation under Art. 16 BankA	Permitted; custodial wallet service; trust
Pooled yield product	Collective investment under CISA or structured product	CIS under SFA; restricted to accredited investors
Protection mechanism	Segregation in insolvency (Art. 242a DEBA; Art. 16 BankA)	Statutory trust for licensees; retail exclusion

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