Trustees

Dr Alexander Ressos, TEP
Of Counsel, KGP Legal LLC
Attorney-at-Law (Switzerland and Germany), Solicitor (England & Wales and Hong Kong)

Can a Singapore licensed trust company hold crypto? Yes. The Trust Companies Act 2005 does not restrict the assets a licensed trust company may hold. The Trustees Act 1967 gives trustees the general power of investment subject to the duty of care. The practical constraints are the trust company's own risk appetite, its ability to custody or to appoint a custodian, insurance and the auditor's willingness to verify holdings. Several Singapore trust companies accept digital assets with a licensed custodian in place and decline self-custody.[1]

Can a Swiss trustee under FinIA hold crypto? Yes. The FinIA trustee licence covers the management of trust assets of any kind. The AML rules apply to the trustee as a financial intermediary, and the same custody questions arise as for a Singapore trust company. Swiss trustees administering foreign-law trusts recognised under the Hague Convention are the common pattern, because Swiss law has no domestic trust after the 2024 abandonment of the trust bill.[2]

A settlor wants to settle tokens on trust, so how do we take title? By transfer of the tokens to an address the trustee controls (directly or through its custodian), recorded in a deed of settlement that identifies the assets by type, quantity and the transaction hash of the transfer. Under Singapore law the tokens are things in action capable of being held on trust since ByBit Fintech v Ho Kai Xin. Under Swiss law the trust's effects on the tokens are recognised through the Hague Convention and the tokens are segregable from the trustee's estate under Art. 242a DEBA in a Swiss bankruptcy of the trustee.[3]

What is our liability if the custodian fails? As trustee, you are liable for loss caused by a failure to exercise the care of a prudent professional in selecting, instructing and monitoring the custodian. A trustee who used a licensed custodian with segregation, reviewed its assurance reports and diversified across custodians has a strong defence. A trustee who left assets on an exchange offering yield does not. The letter of wishes and the trust deed can limit liability for custodian failure where the trustee acted in good faith, within the limits that Singapore law places on exclusion of liability for trustees.[4]

The beneficiaries want yield, so can we stake the trust's tokens? You can if the deed permits investment in digital assets and the duty of care is met. Staking through a custodian that keeps the assets attributed to the trust, with disclosed slashing and unbonding risk, is within the range of prudent investment for a trust that holds ETH or other proof-of-stake assets as a long-term position. Lending to platforms and DeFi yield are outside that range for most trustees. Record the decision, the advice taken and the review schedule in the trustee's minutes.[5]

Copyright © 2026 Dr Alexander Ressos, TEP – Of Counsel, KGP Legal LLC. SingaporeIQ is an information website and gives no legal advice. For Singapore law advice through KGP Legal LLC, please write to alexander.ressos@kgplegal.com.sg

How do we report crypto in the trust accounts? At fair value at the accounting date from a stated price source, with the quantity, the custodian and the wallet addresses in the notes. Swiss GAAP FER and the Singapore Financial Reporting Standards both treat crypto held for investment as an intangible asset or, under some interpretations, as inventory or a financial instrument. The trust's accounting policy should state the treatment adopted and apply it consistently. Auditors will want to verify holdings on-chain, which requires the custodian's cooperation.[6]

Notes

1. Trustees Act 1967, ss. 3A and 4; Trust Companies Act 2005; see Part J, Chapter II.
2. FinIA Art. 17 para. 2; PILA Art. 149a ff.; the abandoned Swiss trust bill is discussed in Part D, Chapter VIII.
3. ByBit Fintech Ltd v Ho Kai Xin (2023) SGHC 199; PILA Art. 149d; DEBA Art. 242a; see Part J, Chapter I and Part D, Chapter VIII.
4. Trustees Act 1967, s. 3A and Schedule 1; Armitage v Nurse (1998) Ch 241 as applied in Singapore; see Part J, Chapter II.
5. Part P, Chapter VII and Part E, Chapter VIII.
6. The accounting treatment is discussed in Part G, Chapter IV for Swiss entities; Singapore FRS guidance is at Part M, Chapter I.

Copyright © 2026 Dr Alexander Ressos, TEP – Of Counsel, KGP Legal LLC. SingaporeIQ is an information website and gives no legal advice. For Singapore law advice through KGP Legal LLC, please write to alexander.ressos@kgplegal.com.sg