

MAS GUIDE ON THE TOKENISATION OF CAPITAL MARKETS PRODUCTS

Posted on December 29, 2025

Category: [CNPupdates](#)

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Background

The Monetary Authority of Singapore (“MAS”) recently updated its **Guide on the Tokenisation of Capital Markets Products** (the “Guide”) on 14 November 2025. This update comes in light of increasing activity relating to capital markets products offered via digital tokens (“tokenised CMPs”).

This updated guide replaces the earlier Guide to Digital Token Offerings first issued in 2017 and updated in 2020, and introduces a number of significant changes. The contents of the guide remain as general reference and do not supersede any applicable laws, regulations, and requirements. We have summarised the key updates and implications below.

Notable updates

Broadly speaking, these are the main areas that have been updated or clarified in the guide:

- **Broader scope:** the updated guide now covers the entire tokenisation lifecycle.
- **Clarification on prospectus requirements:** prospectus requirements as set out under the Securities and Futures Act 2001 remain relevant, and the standard exemptions continue to apply, such as small offers, private placements, and offers to institutional and accredited investors.
- **Holistic approach to determining tokenised CMP status:** consider factors such as characteristics, structure, intent, and rights. These factors are non-exhaustive.
- **Expanded disclosure requirements:** offer documents must address technology details, custody arrangements, and risks (operational and cybersecurity). Illustrations relating to disclosure are provided within the updated guide.
- **Formalisation of licensing obligations for intermediaries:** reiterates compliance requirements across all tokenisation activities.
- **Extra-territoriality:** obligations cover offerings targeting Singapore persons.
- **Regulatory sandbox:** for companies exploring innovative tokenisation models, the option exists to apply for the regulatory sandbox. Where approval is provided, certain regulatory requirements are relaxed for the duration of the sandbox.

Further comments

- **Issuers should seek legal clarity when assessing whether the token is a CMP:** MAS recommends obtaining independent legal advice in assessing whether a token constitutes a CMP under the relevant laws, due to the fact-sensitive nature of the enquiry. There is also a process for an issuer to request an opinion from MAS, but any response cannot be taken as an endorsement and does not preclude MAS from taking enforcement action.
- **Complex product safeguards:** tokenised CMPs can be classified as a complex product in a similar fashion to non-tokenised CMPs, additional suitability and distribution requirements may be imposed on distributors.
- **New technology specific risks may need to be disclosed:** the guide calls out technology specific risks,

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custody risks, and disclosures in relation to CMPs. For example, smart contract bugs and risks of cyber security breaches may be considered as part of the relevant disclosures. These go beyond the traditional operational risks and the relevant advisors should be brought in where required.

- **Licensing and compliance requirements:** MAS emphasises that these requirements apply, regardless of whether the product is tokenised or not. Intermediaries and issuers must therefore continue to implement robust AML/CFT processes and comply with all disclosure requirements in relation to CMPs. For example, compliance with value transfer requirements or carrying out comprehensive risk assessments remain relevant.
- **Consider whether applying for the regulatory sandbox would be beneficial:** issuers who are experimenting with novel approaches to activities that are regulated by MAS may wish to consider whether the potential benefits of this scheme might suit the particular project or activity in question.

We will continue to closely monitor how these guidelines evolve. Please do not hesitate to reach out to our team if you require assistance in understanding how these new guidelines may impact your business.

Reference

<https://www.mas.gov.sg/-/media/mas/sectors/guidance/guide-on-the-tokenisation-of-capital-markets-products.pdf>

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