

Ledger-based securities

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The centrepiece of the Act in private law is the ledger-based security, in German Registerwertrecht. Before the Act, Swiss law knew three forms of securities: certificated securities, which are documents that embody a right, uncertificated securities, which are rights recorded in a book kept by the issuer, and intermediated securities, which are held through a custodian under the Federal Intermediated Securities Act. None of these forms allowed a right to be transferred by a transaction on a blockchain with legal effect. Uncertificated securities are transferred by written assignment, which a token transfer on a blockchain is unable to satisfy.

The Act inserted Articles 973d to 973i into the Code of Obligations. A ledger-based security is a right that, according to an agreement between the parties, is registered in a securities ledger and can be exercised and transferred to others only through that ledger.¹ The securities ledger must meet requirements set out in the law. It must give the creditors, but not the debtor, power of disposal over their rights by technological means. Its integrity must be protected against unauthorised changes by adequate technical and organisational measures. The content of the rights, the functioning of the ledger and the registration agreement must be recorded in the ledger or in accompanying data linked to it. Creditors must be able to view the information and ledger entries that concern them and check the integrity of the ledger content concerning them without the intervention of a third party.² The ledger-based security functions like a certificated security. Its transfer takes place through the ledger, in accordance with the rules of the registration agreement, with the debtor released if it pays the person registered as creditor in the ledger. A person who acquires a ledger-based security in good faith from a person registered in the ledger is protected, even if the transferor had no right to dispose of it.³ The law also provides for the cancellation of a ledger-based security by a court where the creditor has lost access to it, for example by losing the private key, and for the pledging of ledger-based securities.⁴

Any right that can be represented by a certificated security can be issued as a ledger-based security, including shares of companies limited by shares, bonds, participation certificates, fund units and derivatives. For Zug companies, the practical application has been the issue of tokenised shares. A company that provides in its articles of association that its shares are issued as ledger-based securities then keeps its share register on a blockchain and allows the shares to be transferred by token transactions. Several Swiss start-ups and some established companies have done so.⁵ The issuers include companies from Zug that wished to give their employees and supporters a simple way of holding and trading their shares.

1 Notes

1. Code of Obligations (SR 220), Art. 973d para. 1 (official English translation, fedlex.admin.ch, consulted via droit-bilingue.ch): a ledger-based security is a right which, in accordance with an agreement between the parties, is registered in a securities ledger and may be exercised and transferred to others only via this securities ledger. ↩
2. Code of Obligations (SR 220), Art. 973d para. 2 nos. 1–4 (official English translation, fedlex.admin.ch, consulted via droit-bilingue.ch): power of disposal of the creditors but not of the obligor by technological processes; integrity secured by adequate technical and organisational measures; content of the rights, functioning of the ledger and registration agreement recorded in the ledger or in linked accompanying data; creditors able to view the relevant information and entries and check the integrity of the ledger without intervention by a third party. ↩
3. Code of Obligations (SR 220), Art. 973e paras. 1–3 and Art. 973f para. 1 (official English translation, fedlex.admin.ch, consulted via droit-bilingue.ch): the obligor may perform only to the creditor indicated in the ledger and is released by performance at maturity unless guilty of malice or gross negligence; an acquirer is protected even if the seller was not entitled to dispose of the security, unless the acquirer acted in bad faith or with gross negligence; transfer is subject to the registration agreement. ↩
4. Code of Obligations (SR 220), Art. 973h (cancellation by the court on credible evidence of the original power of disposal and its loss) and Art. 973g (collateral and pledging of ledger-based securities) (official English translation, fedlex.admin.ch, consulted via droit-bilingue.ch). ↩

5. Aktionariat, website, aktionariat.com (accessed September 2026): platform through which more than 90 Swiss private companies, among them RealUnit, Quitt, Bossinfo and EHC Kloten, have issued and manage tokenised shares, with more than 35,000 registered investors. The page does not itself name the legal form of ledger-based securities.
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