

Uruguay

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1. Fintech regulatory framework: a summary of the most relevant laws and regulations concerning fintech and financial innovation.

In Uruguay, there is no single, comprehensive or standalone ‘fintech law’. Instead, the regulatory framework combines general rules governing the financial system and the capital markets with specific regulations issued by the Central Bank of Uruguay (BCU), following an approach based on technological neutrality and regulation by activities and risks. In practice, fintech companies are subject to the regulatory regime applicable to the function they perform, such as:

- payments;
- issuance of instruments;
- intermediation;
- investment advisory;
- crowdfunding and crowdlending (peer-to-peer lending);
- provision of technological infrastructure; or
- services related to virtual assets.

In the area of payments and financial innovation, the historical cornerstone is Act No 19,210 on Financial Inclusion, which promoted the use of electronic means of payment and enabled the development of non-bank models under BCU supervision. This law, together with its implementing regulations, consolidated relevant categories for the fintech ecosystem, such as electronic money issuers, and fostered interoperability and the modernisation of payment systems. In parallel, anti-money laundering and counter-terrorism financing (AML/CTF) regulations – particularly Act No 19,574 and its implementing rules – have a direct impact on fintech activities, as they impose customer due diligence, transaction monitoring and reporting obligations on a wide range of actors involved in payments, transfers or financial services, even when operating through digital channels.

From a capital markets perspective, Act No 18,627 (‘Securities Market Law’) and the regulatory framework administered by the BCU’s Superintendence of Financial Services are key for any fintech model involving public offerings, securities issuance, structuring of investment instruments or intermediation. Within this context, crowdfunding has evolved significantly and has been implemented in practice through regulated platforms: Uruguay allows crowdfunding platforms, and in recent years the BCU has progressively adjusted the regulatory regime to facilitate access to financing for SMEs through simplified rules, disclosure requirements, governance standards and investor protection mechanisms. This evolution is reflected in recent regulatory updates that modernise the simplified regime and the operation of crowdfunding platforms, with the aim of expanding their reach while preserving traceability and transparency standards.

In practice, this has translated into a functioning, supervised crowdfunding channel, including the first platform authorised by the BCU/SSF to operate under Uruguay’s collective financing framework, alongside the rollout of simplified offerings/issuances in the market. This platform operates as an *Empresa Administradora de Plataforma de Financiamiento Colectivo* under BCU supervision, providing a regulated digital venue through which SMEs and ventures can raise funds

via offerings subject to traceability and investor protection standards. Importantly, the framework is already being used in practice, with multiple offerings having been completed through this supervised channel.

In parallel, Uruguay also contemplates crowdlending models (peer-to-peer lending): platforms facilitating loans between persons are regulated under specific BCU rules. However, despite this regulatory recognition, the peer-to-peer lending segment has had limited practical development in Uruguay compared to the crowdfunding and simplified offering track within the capital markets framework.

A recent and particularly relevant milestone for financial innovation is Act No 20,345 ('Virtual Assets Law'), which for the first time introduces a specific legal framework for virtual assets and expands the regulatory perimeter to include virtual asset service providers (VASPs). The Virtual Assets Law brings these business models within the scope of BCU supervision, enabling an authorisation or registration regime and reinforcing the integrity of the financial system through compliance requirements, particularly in the AML/CFT area. This development provided legal certainty to a growing segment of the fintech ecosystem and paved the way for the BCU to issue regulations addressing service categories (such as exchange, custody, transfers and intermediation), as well as operational, technological and governance standards. In the short term, the regulatory development of the VASP regime is one of the main forthcoming regulatory fronts, together with potential adjustments aimed at aligning the local framework with international standards on risks and activities.

In addition, several cross-cutting legal regimes have a direct impact on financial innovation, even though they are not 'fintech-specific' as such. These include:

- personal data protection regulations, which condition data-driven, analytics-based and digital business models;
- consumer protection rules and, where applicable, financial consumer protection; and
- the legal framework governing electronic signatures and digital contracting, which enables the remote execution of contracts and transactions through electronic means.

From a regulatory policy standpoint, the BCU has also been working on guidelines and reference documents regarding the evolution of the payment system and open finance, anticipating a medium-term agenda related to open banking/open finance, security standards, consent mechanisms, and potential data access and portability schemes, even though no specific open banking law has yet been enacted.

In summary, the Uruguayan framework is characterised by a modular regulatory architecture, under which fintech companies are regulated according to the activity they perform, subject to BCU supervision and with increasing emphasis on integrity standards, user protection and operational resilience. In the near future, the most significant developments are expected to arise from the implementation and deepening of the virtual assets regime and the continued evolution of payments and open finance regulation, together with the ongoing consolidation of crowdfunding platforms/simplified offerings and the (potential) maturation of alternative lending models, rather than from the enactment of a single overarching 'fintech law' restructuring the entire ecosystem.

2. Regulations on crypto assets: a summary of the legal framework regarding crypto assets and how they are regulated.

In Uruguay, the regulatory framework applicable to crypto assets has been built in layers. For several years, cryptocurrencies were subject to a largely 'unregulated' approach, accompanied by warnings issued by BCU and by tax criteria derived from general legal rules. Since 2024, following the enactment of the Virtual Assets Law, a specific legal framework has been established, formally incorporating virtual assets and providers of services related to those assets into the regulatory perimeter. This law expressly regulates virtual assets and amends existing financial legislation to subject VASPs to the supervision of BCU.

Regarding their legal nature, cryptocurrencies in Uruguay are neither legal tender nor electronic money. Prior to Act No 20,345, the BCU publicly clarified that crypto assets did not fall within its scope of authority and that, as a result, transactions involving such assets were not covered by the financial consumer protection mechanisms applicable to regulated products. From a civil and tax law perspective, the most frequently cited administrative interpretation is Tax Ruling No 6419 (*Dirección General Impositiva*, 2021), which, when analysing a transaction involving the exchange of real estate for cryptocurrencies, treated cryptocurrencies as intangible movable property, expressly rejecting their classification as money or electronic money. The Virtual Assets Law represents a further step in this evolution, as it formally introduces the category of 'virtual assets' into the legal system and allows for their integration into the financial ecosystem where appropriate, reinforcing a regulatory approach based on activities and risks rather than on the underlying technology.

From a tax standpoint, Uruguay does not yet have a specific or standalone tax applicable to crypto assets. Instead, the general tax regime applies, complemented by the administrative criteria mentioned above. In practical terms, the tax treatment depends on whether the operator is an individual or a legal entity, and on the nature of the income involved. For individuals, gains derived from the sale or exchange of crypto assets may be subject to personal income tax (*Impuesto a la Renta de las Personas Físicas*) to the extent that they constitute taxable capital gains, and holdings may also be relevant for net worth tax (*Impuesto al Patrimonio*). For corporate taxpayers subject to corporate income tax (*Impuesto a las Rentas de las Actividades Económicas*), gains related to crypto asset transactions may be included in business income and taxed under the ordinary rules for determining taxable profits. Once again, Tax Ruling No 6419 provides a key reference for characterising the transaction and valuing the consideration involved, emphasising the concept of barter and the need for proper valuation of in-kind performances.

With respect to the regulatory dynamics of central bank digital currencies (CBDCs), Uruguay has an early precedent. In November 2017, the BCU launched a pilot project for a 'digital banknote' (the e-peso) and later reported a positive assessment of that experience. That pilot, however, did not result in the permanent adoption of a general-purpose CBDC, and the Uruguayan peso remains a traditional fiat currency. In terms of synergies and tensions, a CBDC could coexist with private payment solutions and crypto assets, offering a digital means of payment backed by sovereign authority and potentially reducing certain incentives to use stablecoins for payment purposes. At the same time, the expansion of official digital currencies is typically accompanied by higher standards of traceability and regulatory compliance, which may conflict with uses of private cryptocurrencies oriented towards anonymity or disintermediation.

Finally, in terms of investor protection, Uruguay has evolved from a scenario characterised by regulatory warnings and lack of protection toward an emerging supervisory framework. The BCU's 2021 public statement was explicit in noting that crypto asset transactions were not covered by financial consumer protection mechanisms. With Act No 20,345, the regulatory focus shifts toward intermediaries: VASPs are brought within the BCU's regulatory perimeter, and an authorisation and supervision regime is envisaged, subject to subsequent regulatory development. In this context, the BCU launched a public consultation in 2025 on a draft regulation applicable to VASPs, signalling the introduction of more concrete requirements relating to governance, internal controls and compliance, and, indirectly, higher standards of transparency and complaint handling for entities operating with clients in Uruguay. Nevertheless, investors remain exposed to the inherent risks of the crypto market – such as volatility, technological failures, fraud and information asymmetries – so the regulatory trend is aimed more at structuring intermediation and mitigating systemic and conduct risks than at 'guaranteeing' the value or returns of crypto assets.

3. Payment service providers and digital wallets: a summary of regulations applying to payment service providers and/or digital wallets.

In Uruguay, payment service providers and digital wallets operate under a regulatory framework composed of statutory law and administrative regulations issued by the BCU. As is the case in the fintech sector more broadly, there is no single, comprehensive 'payment services' statute. Instead, the applicable framework consists of a set of rules that integrate these activities into the financial system and the payment system, taking into account the nature of the services provided and the risks they entail.

The starting point is Act No 19,210 on Financial Inclusion, which promoted the use of electronic means of payment and laid the foundations for the participation of non-bank actors in the payment system. This law, together with its implementing regulations, expressly recognised electronic money instruments as means of payment and allowed non-bank entities to issue them, subject to supervision by the BCU. Subsequently, Act No 19,731 strengthened and systematised the regime applicable to electronic means of payment, regulating the relationships among issuers, acquirers, merchants and users, and consolidating the legal framework for cards, electronic transfers and electronic money instruments.

Within this framework, digital wallets that allow users to store funds, make payments or transfers, and hold balances denominated in legal tender are considered, from a regulatory standpoint, electronic money instruments. The entities that issue such wallets must be registered with the BCU as electronic money issuers and comply with specific requirements relating to authorisation, corporate governance, solvency, operational security and the safeguarding of users' funds. In particular, electronic money may only be issued against the prior receipt of funds for an equivalent amount, and those funds must be kept segregated from the issuer's own assets, typically deposited in accounts held with supervised financial institutions.

In parallel, the BCU regulates payment service providers that, without necessarily issuing electronic money, provide services such as payment initiation, collection, processing, payment gateways or transfers on behalf of third parties. These providers must be registered with the BCU in the relevant registries as payment and collection service providers and are subject to ongoing supervision. Regulation requires, among other things, a clear identification of the business model, adequate

internal controls, information security policies, business continuity plans, and compliance with AML/CFT regulations.

A central feature of the Uruguayan regime is the active role of the BCU as the regulatory and supervisory authority. Through the Superintendence of Financial Services, the BCU issues technical and prudential regulations, maintains registries of authorised entities, conducts inspections, requires periodic reporting, and may impose sanctions in cases of non-compliance. This framework seeks to ensure the integrity and stability of the payment system while allowing the participation of fintech companies and other innovative actors.

From a functional perspective, regulation does not formally distinguish between ‘digital wallets’ and other payment service providers, but rather focuses on the specific activity carried out. Accordingly, a single company may be subject to different regulatory obligations if, for example, it issues electronic money, initiates payments and provides collection services, and must therefore comply with the requirements applicable to each function. In all cases, rules on user protection, transparency of terms, operational security and fund traceability apply on a cross-cutting basis.

As regards the future evolution of the regulatory framework, a relevant legislative development is expected in connection with Act No 20,345 on virtual assets and VASPs. In the context of the forthcoming Budget Act, amendments to Act No 20,345 are anticipated in order to further systematise and expand the regulatory perimeter applicable to activities such as custody (including crypto wallets), exchange, and transfer of virtual assets. Under the envisaged reform, these activities would be expressly encompassed within the category of VASPs, subject to registration and supervision by the BCU, with subsequent regulatory development to define the specific prudential, operational, and conduct requirements applicable to such entities.

In parallel, the BCU continues to promote the modernisation of the payment system, including the development of instant payments, greater interoperability among market participants, and the adoption of more advanced technological standards.

4. Special support for fintechs: a description of special programmes supporting the fintech ecosystem, fintech startups (eg, regulatory sandboxes and accelerator programmes) and regulations regarding special support.

In recent years, Uruguay has adopted a gradual and structured approach to fostering the development of its fintech ecosystem. Although the country does not currently operate a formal regulatory sandbox, it offers a range of institutional support mechanisms for fintech startups, together with active engagement by the financial regulator in promoting innovation within the existing legal framework.

From a regulatory standpoint, the BCU has not implemented an exceptional regulatory testing regime involving temporary waivers or differentiated compliance requirements. This approach is largely attributable to legal and institutional considerations, as the Uruguayan financial system generally requires an explicit statutory basis to establish special regulatory regimes.

Instead of a sandbox model, the BCU has developed structured channels for early-stage interaction with financial innovators. In particular, it has established NOVA BCU, a dedicated platform designed

to promote dialogue between the regulator and market participants developing innovative financial products or services. NOVA BCU does not provide regulatory exemptions; rather, it functions as a formal consultation and guidance mechanism through which fintech entrepreneurs may present their business models, clarify applicable licensing or registration requirements, and obtain regulatory orientation at an early stage. This approach reduces uncertainty while ensuring that innovation develops in alignment with prudential standards, consumer protection rules, and anti-money laundering obligations.

Alongside the role of the regulator, Uruguay has promoted technology entrepreneurship support programmes that indirectly, but significantly, benefit fintech companies. A notable example is Uruguay Innovation Hub, a public–private initiative aimed at promoting science, technology and innovation projects, which includes acceleration programmes for early-stage startups. These programmes offer mentoring, strategic support, access to investor networks and, in some cases, public co-financing, which is particularly valuable for fintechs in their initial stages. Although these initiatives are not exclusive to the financial sector, their design has enabled the participation of multiple fintech startups with regional growth potential.

The ecosystem is further strengthened by the presence of private accelerators, regional venture capital programmes, and sector-specific organisations. The Uruguayan Fintech Chamber plays a central role as a sector coordinator, promoting dialogue with public authorities, creating visibility opportunities for startups, and actively participating in regulatory discussions. This is complemented by the support of public agencies such as Uruguay XXI, which promotes the internationalisation of technology companies and positions Uruguay as a regional hub for financial and technological services.

While Uruguay does not currently offer a formal regulatory sandbox or specific exemption regimes for fintech companies, it does provide a structured support environment for the ecosystem through acceleration programmes, institutional engagement and an evolving regulatory framework. The financial regulator not only supports these initiatives but also actively participates in the innovation process through a collaborative, flexible and dialogue-based approach, which has enabled the development of fintech startups within a framework of legal stability, effective supervision, and increasing integration into the formal financial system.

5. Open banking: a summary of regulations regarding open banking and direct or indirect regulations that affect open banking.

Uruguay does not have a specific and fully effective regulatory framework establishing an open banking regime in the strict sense. The Uruguayan legal system does not yet provide for a mandatory obligation for financial institutions to share customer data with third parties through standardised interfaces, nor does it formally define the typical categories of providers commonly found in open banking schemes. Nevertheless, the country is at an advanced stage of regulatory analysis and preparation, and has a set of existing rules that directly and indirectly affect any potential implementation of this model.

From the perspective of indirect regulation, the main cornerstone is Act No 18,331 on Personal Data Protection, which enshrines the principle of data ownership by individuals and requires prior, informed, express and revocable consent for the processing and transfer of personal data,

including financial data. This framework is central to open banking, insofar as any scheme for sharing financial information must be based on user consent and comply with principles of purpose limitation, proportionality, security and confidentiality. This is complemented by consumer protection regulations, in particular Act No 17,250 and its implementing regulations: the principles of transparency, adequate information and user protection are fully applicable to services that may be developed under an open banking framework.

In addition, the Uruguayan financial system is governed by a set of general rules that indirectly affect open banking, such as Act No 19,210 on Financial Inclusion, payment system regulation, the rules applicable to financial intermediation institutions, electronic money issuers and payment service providers, as well as AML/CFT regulations and requirements relating to cybersecurity and operational risk management. In the absence of a specific open banking regime, these rules currently constitute the mandatory framework within which any exchange of financial data or provision of services based on third-party information must operate.

In this context, the BCU has adopted an active yet cautious approach. Rather than immediately implementing a closed regulatory scheme, the regulator has promoted a gradual process of analysis, dialogue and conceptual development. A relevant milestone was the publication in 2024 of the document *Towards an Open Finance Ecosystem in Uruguay*, in which BCU set out its preliminary vision of a potential open banking or open finance model for the country. While this document does not constitute binding law, it establishes relevant guidelines regarding policy objectives, potential ecosystem participants, types of data involved, and the regulatory principles that should govern the system, including:

- user consent;
- information security;
- non-discrimination;
- interoperability; and
- regulatory proportionality.

This conceptual work forms part of Uruguay's Payment System Roadmap and reflects the regulator's intention to move toward an open finance model aligned with international standards, while tailored to the country's institutional and legal context. Within this framework, the BCU has publicly stated that the effective implementation of open banking will require legal amendments, particularly to expand or clarify its regulatory and supervisory powers over new types of actors that do not fully fit within traditional financial system categories.

With respect to future regulation, the BCU itself has anticipated the development of regulatory proposals aimed at establishing a specific legal framework for open finance. Such initiatives would seek to integrate open banking into the regulated financial system, defining the rights and obligations of financial institutions, third-party service providers and users, as well as the applicable technical and security standards. Although, as of early 2026, these proposals have not yet resulted in enacted legislation, there is a reasonable expectation of regulatory progress in the short to medium term.

In summary, Uruguay does not currently have a specific open banking regulation, but it does have a general legal framework that directly impacts its potential development, together with a clear regulatory agenda oriented toward its future implementation. The approach combines legal certainty, user protection and regulated innovation, positioning the country in a transitional phase from a traditional financial system toward a progressive and supervised open finance model.

6. Regulation of virtual asset service providers.

Virtual asset service providers in Uruguay are currently integrated into the regulated financial system following the enactment of the Virtual Assets Law. This Act introduced significant amendments to the Organic Charter of BCU and to the general financial regulatory framework, expressly bringing VASPs within the scope of regulation and supervision of BCU.

The legislative approach adopted is functional and activity-based, deliberately avoiding a closed or technology-specific definition of cryptocurrencies. The Act relies on a broad concept of ‘virtual assets’ and delegates to the regulator the delineation of the services subject to regulation. Within this framework, it is for BCU, through regulation, to determine which activities fall within the scope of VASPs, including, among others:

- the purchase and sale or exchange of virtual assets;
- custody or administration of virtual assets or of instruments enabling control over them;
- transfers on behalf of third parties; and
- intermediation in the issuance or offering of virtual assets for payment or investment purposes.

Consistent with this mandate, the regulatory framework is centred on the VASP and the activities performed, rather than on a distinction based on the financial or non-financial nature of the underlying virtual asset. The applicable regime may differentiate between categories of providers and levels of regulatory requirements based on the nature, scale and risk profile of the activities carried out. Depending on the regulatory design adopted by BCU, certain activities – such as custody of clients’ assets, habitual intermediation or the provision of services involving client funds – may be subject to prior authorisation, while other activities may be subject to a registration regime. The specific licensing, capital, governance, operational, technological and compliance requirements are defined through implementing regulations.

The competent authority for the regulation, supervision, and enforcement of the VASP regime is BCU, acting primarily through its Superintendence of Financial Services. BCU is empowered to issue implementing regulations, grant or deny licences, maintain registries of providers, conduct inspections, request information and impose sanctions in cases of non-compliance. With respect to AML matters, supervision is coordinated with the Financial Intelligence and Analysis Unit (*Unidad de Información y Análisis Financiero*) within BCU, which receives and analyses the relevant reports. Taken together, this framework seeks to provide legal certainty, protect users and safeguard the integrity of the financial system, while allowing for the orderly development of the virtual asset ecosystem and associated business models.

7. AML and the Travel Rule in crypto asset transactions.

As explained above, Uruguay has, in recent years, initiated a gradual process of bringing VASPs within the regulatory and AML/CFT perimeter, in line with the recommendations of the Financial Action Task Force (FATF). This process has not been implemented through a comprehensive and self-executing regulatory regime, but rather through a progressive approach that combines enabling legislation with the subsequent development of administrative regulation by the financial regulator.

The central milestone of this process is also the enactment of the Virtual Assets Law, which formally incorporates virtual assets into the Uruguayan regulatory framework. From an AML/CFT perspective, Act No 20,345 does not introduce direct amendments to Act No 19,574, nor does it expressly designate VASPs as obliged entities by law. The existing AML/CFT regime therefore remains structured around the categories of obliged entities expressly listed in Act No 19,574, without specific reference to VASPs.

Nevertheless, the new legislation establishes the normative groundwork for the BCU, in the exercise of its regulatory powers, to extend to these actors obligations relating to customer due diligence, transaction monitoring, record-keeping and suspicious transaction reporting, in a manner consistent with international standards.

In this context, Uruguay has expressed its intention to align with FATF recommendations concerning virtual assets, including those related to the so-called 'Travel Rule.' However, as of today, there is no binding legal or regulatory provision in force that expressly and operationally implements the Travel Rule in Uruguay, nor that establishes specific technical obligations regarding the collection and transmission of originator and beneficiary information in virtual asset transfers, whether domestic or cross-border. The potential adoption of such mechanisms is currently at a stage of regulatory development.

Uruguay's approach to AML/CFT obligations applicable to VASPs can therefore be characterised as cautious and evolutionary. The legislature has opted to create an enabling framework that recognises virtual assets and assigns clear regulatory powers to the financial regulator, while reserving the detailed definition of obligations, provider categories and compliance standards for secondary regulation. This approach allows for progressive adaptation to technological developments and international best practices, avoiding both regulatory gaps and premature regulatory responses, although it also means that the effective implementation of certain standards – such as the Travel Rule – remains at a consolidation stage.

8. Enforcement and cross-border recognition of tokenisation and structuring of secured transactions involving crypto assets.

In Uruguay, the legal structuring of financial instruments linked to tokenised assets is generally based on traditional categories of civil, commercial and financial law, adapted to the use of blockchain technology as a medium for recording and transferring rights, without this implying any change to the underlying legal nature of the rights involved. Tokenisation is predominantly conceived as a technological mechanism for the representation and circulation of rights, rather than as a new autonomous legal category.

With respect to financial instruments proper – such as bonds or other negotiable securities issued in digital form – the Uruguayan legal framework, following the enactment of the Virtual Assets Law, allows for the use of distributed ledger technology (DLT) for the registration of book-entry securities. However, the practical operation of such schemes depends on the issuance of implementing regulations by the BCU and on the corresponding regulatory authorisations. As a result, the tokenisation of securities is, in practice, integrated into the general capital markets regime under financial regulatory supervision, rather than operating as a fully autonomous parallel system.

When it comes to the tokenisation of real assets or investment projects, such as real estate, Uruguayan legal practice does not allow blockchain technology to replace traditional public registries. In these cases, structuring may rely on intermediary legal vehicles – such as companies or trusts – so that tokens represent equity interests, trust certificates or credit rights. Under this approach, ownership of the underlying asset continues to be governed by existing property and registry rules, while tokenisation operates at the level of the economic or governance rights derived from those structures.

With regard to DeFi instruments and schemes, there is no specific regulation in Uruguay expressly categorising them as such. From a legal standpoint, these models may be analysed as private contractual relationships or as personal rights, depending on their economic substance and the obligations assumed by the parties, unless their characteristics bring them within the definition of a negotiable security or a regulated financial instrument. Accordingly, their legal treatment may depend primarily on the contractual framework supporting them and on their potential financial impact, rather than on the technology used.

As for collateral, crypto assets and tokens are typically characterised as intangible movable property, which, at least conceptually, allows them to be used as collateral to secure obligations. In practice, however, it is not common for transactions to be secured exclusively by digital assets, due to the legal, operational and enforcement uncertainties that such collateral still entails. Instead, structures frequently incorporate security interests over traditional assets – such as receivables, cash flows, movable or immovable property – through pledges, mortgages or security trusts, particularly where enhanced legal certainty and enforceability are sought.

From a private international law perspective, Uruguayan courts generally recognise the validity of foreign governing law clauses in international contracts, provided that the contract presents elements of internationality and that the choice of law does not violate public policy rules. In crypto asset-related transactions with cross-border elements, the choice of a foreign governing law may therefore be recognised and applied by local courts in accordance with these principles.

In the event of default, secured creditors have access to the enforcement mechanisms provided under Uruguayan law. In the case of traditional security interests, enforcement is generally conducted through judicial proceedings that culminate in the public auction of the collateral. *Pactum commissorium* is prohibited, meaning that direct appropriation of the collateral by the secured creditor is not permitted as a pre-default mechanism. Nevertheless, direct allocation may occur by subsequent agreement or through structures such as security trusts, which allow for extrajudicial realisation of the asset in accordance with contractual rules, subject to market value standards and the return of any surplus to the debtor.

Overall, Uruguay offers a developing legal framework for the structuring of tokenised and secured transactions, grounded in traditional legal institutions and in the recognition of contractual autonomy. However, the application of these tools to digital assets still presents certain grey areas that, in practice, are typically addressed through conservative structuring aimed at maximising legal certainty.

9. Litigation and jurisdiction on crypto assets: legal implications of disputes involving crypto assets.

In Uruguay, disputes related to crypto assets fall, from a procedural and private international law perspective, within the general regime applicable to civil and commercial disputes with international elements. The use of blockchain technology or the digital nature of the assets involved does not, in itself, introduce special rules on jurisdiction, judicial competence or the recognition of foreign decisions. These matters are primarily governed by Act No 19,920 on Private International Law, which establishes a modern and comprehensive framework for international private relations.

In the context of contractual disputes involving crypto assets, the Uruguayan legal system broadly recognises party autonomy to submit disputes to foreign courts. An express submission to a foreign jurisdiction, agreed in writing, is legally valid and binding in Uruguay provided that the contract has an international character. Current legislation does not require the existence of an objective connection between the contract and the chosen forum, which represents a significant departure from the previous, more restrictive regime on prorogation of jurisdiction. At present, once the existence of a valid foreign jurisdiction clause is established, Uruguayan courts must decline their own international jurisdiction.

Accordingly, exclusive jurisdiction clauses are recognised and enforceable in Uruguay in the context of international contracts, including those related to crypto assets, except in legally excluded matters. Party autonomy is limited by rules of international public policy that establish non-derogable jurisdiction in favour of Uruguayan courts. In particular, submission to foreign jurisdiction is not permitted in matters such as consumer contracts, employment relationships, insurance, family law and succession, nor in contracts relating to rights over real estate located in Uruguay. In these cases, even if the contract contains a foreign forum clause, Uruguayan courts retain exclusive jurisdiction. In the crypto asset context, this distinction is particularly relevant with respect to end users qualifying as consumers, since a foreign jurisdiction clause included in standard terms and conditions could be deemed unenforceable against them.

With regard to non-contractual disputes related to crypto assets – such as fraud, misappropriation, cyberattacks or tort claims arising from the use of digital assets – jurisdiction is determined based on the objective connecting factors established by law, in the absence of a prior jurisdiction agreement. In such cases, Uruguayan courts will have jurisdiction where there is a relevant connection with the country, such as the defendant's domicile in Uruguay, the occurrence of the wrongful act in Uruguayan territory, or the damage being suffered in Uruguay.

In summary, Uruguay provides a clear and predictable legal framework for the resolution of disputes involving crypto assets, grounded in modern principles of private international law. Submission to foreign jurisdiction is, as a general rule, legally binding and enforceable, and exclusive jurisdiction clauses are respected by Uruguayan courts in international contracts, subject

to limitations derived from public policy and the protection of vulnerable parties. This approach contributes to legal certainty in cross-border crypto transactions, while preserving effective judicial protection where relevant local interests are involved.

10. Intellectual property and crypto assets: legal protection, ownership, enforcement and monetisation of IP rights related to digital and virtual assets.

In Uruguay, intellectual property related to digital assets and crypto assets is protected under the general regimes of industrial property and copyright, without the virtual or technological nature of the asset implying, in itself, a differentiated legal treatment. The Uruguayan system recognises and protects innovations and creations based on their legal and economic substance, rather than on the technological medium used for their development or exploitation.

Technical innovations may primarily be protected through patents of invention and utility models, provided that they meet the legal requirements of novelty, inventive step, and industrial applicability. While software considered in isolation is not patentable under Uruguayan law, inventions that incorporate software as part of a broader technical solution may be eligible for patent protection. In parallel, computer programs, source code, algorithms, interfaces and other digital developments are protected by copyright from the moment of their creation without the need for registration, as are digital artistic works, audiovisual content, video games, non-fungible tokens (NFTs) and other creative expressions linked to the crypto ecosystem. Likewise, the names of platforms, projects, tokens or services may be protected through trademark registration, which is particularly relevant to prevent imitation and unauthorised use in global digital environments.

Ownership of intellectual property rights is generally determined by authorship or inventorship. In the case of patents, rights belong to the inventor or to those who have lawfully derived rights from the inventor, with specific rules applying where the invention is created within the scope of an employment relationship or under a commission, in which case ownership may vest in the employer or commissioning party, subject to potential economic or moral rights of the inventor. In the field of copyright, the creator is the original rightsholder, although economic rights may be assigned or licensed contractually, a common practice in software development. In all cases, clear contractual arrangements are essential to avoid future disputes regarding ownership and the scope of rights.

Uruguayan law provides effective mechanisms for the enforcement and defence of intellectual property rights against third parties. Rights holders may bring civil actions to obtain the cessation of unauthorised uses, claim damages and request urgent interim measures, such as the suspension of infringing activities or the seizure of infringing goods and media.

Given the territorial nature of intellectual property rights, protection obtained in Uruguay does not automatically extend to other jurisdictions. Accordingly, the decision to seek protection abroad is assessed strategically based on several criteria, including:

- the markets in which the innovation is expected to be commercially exploited;
- the location of relevant competitors;
- the risk of copying or misappropriation;

- the costs of registration and maintenance; and
- the effectiveness of enforcement mechanisms in each jurisdiction.

Uruguay is a party to the main international intellectual property treaties, allowing rights holders to benefit from priority rights and, in the case of patents, to use mechanisms such as the Patent Cooperation Treaty to facilitate international protection. In practice, protection is usually prioritised in key or strategic markets rather than pursued indiscriminately on a global scale.

With respect to monetisation, there are no specific legal restrictions in Uruguay that prevent the economic exploitation of intellectual property associated with crypto assets. IP rights may be licensed, assigned, contributed to companies, used as the basis for digital business models, or integrated into tokenisation structures, as is the case with NFTs or other digital assets that represent or incorporate copyright or industrial property rights. The sale of digital assets and the exploitation of intellectual property rights through crypto platforms are legally permissible, without prejudice to the fact that certain activities may be subject to financial regulation or AML requirements when carried out on a professional or habitual basis.

Overall, the Uruguayan framework allows intellectual property related to digital assets to be converted into economic value, providing a legally predictable environment for innovation, investment, and the development of crypto-related projects.



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