EU RegCORE Client Alert

Financial Services

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Germany's PFOF ban is now fully in force: Bafin names three impermissible circumvention structures and much more

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QuickTake

Germany's transitional exemption from the EU-wide ban on Payment for Order Flow (**PFOF**) under Article 39a(1) of Regulation (EU) 600/2014 (**MiFIR**) expired on 1 July 2026. Since that date, Germany-based investment firms may no longer accept third-party payments for forwarding client orders to execution venues.

On 22 July 2026, Bafin followed up with Aufsichtsmitteilung 05/2026 (WA),[1] an unusually concrete supervisory notice (valid until 30 June 2029) setting out its expectations for the transition to PFOF-free business models.

Bafin explicitly names three circumvention structures it considers impermissible and adopts a consistent economic-substance-over-form approach: relabelling a payment stream does not remove it from the scope of Article 39a(1) MiFIR.

This Client Alert summarises the notice's key content and identifies action items for affected firms and should also be read in our earlier Client Alert (20 May 2025) on the European Securities and Market Authority's rules on investment order execution policies and PFOF.[2]

[1] Available at time of writing only in German here.
[2] Available here.

Beyond these headline points, the alert addresses four issues of particular commercial and supervisory significance:

1. **Bafin's intervention is unusually detailed compared with other NCAs** — the notice names specific impermissible structures and applies an economic-substance test that goes beyond the bare text of Article 39a(1) MiFIR, potentially setting a template for supervisory convergence across the EU.

2. **Origin-of-order look-through in intermediary chains** — Bafin requires firms acting as intermediate agents to look through the order chain to the retail or in-scope professional client, meaning PFOF received anywhere along the chain is caught even if the immediate counterparty is a professional firm.

3. **Vertically integrated groups face fee-justification requirements** — intra-group MTF or execution-venue fees must be substantiated against market and cost benchmarks; economic equivalence to PFOF is assessed on consolidated group economics, not legal-entity boundaries.

4. **Permitted replacement models remain subject to difficult best-execution and conflicts analyses** — own-account dealing, systematic internalisation and market-making models avoid the PFOF prohibition but do not avoid the full weight of MiFID II best-execution, conflicts-of-interest and single-venue justification requirements.

Background: the EU PFOF ban and Germany's transitional exemption

Article 39a(1) MiFIR, introduced by the MiFIR/MiFID II Review Directive package (OJ 8 March 2024), prohibits investment firms from receiving any monetary or non-monetary benefit from a third party in exchange for forwarding client orders to that third party or to any trading venue for execution. The ban addresses unresolvable conflicts of interest that arise when third-party payments incentivise firms to route orders to venues offering the highest rebate rather than the best execution quality for the client. The prohibition has applied cross-border across the EU since 28 March 2024.

Germany was the only Member State to invoke the Article 39a(2) MiFIR derogation, permitting domestic PFOF on a transitional basis via Section 138a of the Wertpapierhandelsgesetz (**WpHG**). That two-year transitional period ran from 29 June 2024 to 30 June 2026 and has now expired. As of 1 July 2026, the PFOF ban applies without exception to all investment firms within the meaning of Article 4(1) No. 1 MiFID II — i.e., in Germany, all investment services undertakings (*Wertpapierdienstleistungsunternehmen*) under Section 2(10) WpHG[3] — including in relation to domestic clients.

The policy rationale for the ban is that PFOF-linked venues can offer worse execution prices than primary exchanges and that PFOF undermines market transparency by shifting order flow to bilateral arrangements and away from multilateral venues. Third-party payments for order routing create conflicts of interest in venue selection and connectivity decisions that are incompatible with firms' best-execution duties.

Bafin's supervisory expectations under Aufsichtsmitteilung 05/2026 (WA)

Aufsichtsmitteilung 05/2026 (WA), dated 22 July 2026 and effective from its publication date until 30 June 2029, communicates Bafin's supervisory expectations for implementing the PFOF ban. It is addressed to all investment firms under Article 4(1) No. 1 MiFID II and provides an initial assessment of concrete business

[3] Under Section 2(10) WpHG, a *Wertpapierdienstleistungsunternehmen* is a credit institution, financial services institution, or branch of a foreign undertaking that provides investment services and/or performs investment activities on a professional basis — i.e., the German transposition of the "investment firm" concept in Article 4(1)(1) MiFID II.

models. Bafin notes it may update the notice or convert it into a formal circular (*Rundschreiben*) as administrative practice consolidates.

Bafin expects firms to:

(a) from 1 July 2026, amend PFOF-based business models to be rule-compliant and avoid impermissible circumvention structures; and

(b) observe the EU Commission Q&As on the PFOF ban published by ESMA on 3 March 2026 (Q&A Nos. 2557–2560) together with Bafin's related clarifications set out in the supervisory notice.The EU Commission Q&As clarify, among other things, that: (i) the ban covers all forms of monetary and non-monetary benefits, regardless of labelling; (ii) it applies irrespective of whether the benefit is solicited or unsolicited; and (iii) the narrow exception under Article 39a(1), second subparagraph, MiFIR is to be interpreted strictly. Bafin's supervisory notice builds on these Q&As and provides Germany-specific implementation guidance.

Compliant business models

Bafin regards changes to PFOF-based business models as compliant where (i) economically, order-flow-generated revenue is not a grant by a third party (e.g., a market maker), (ii) the firm's acceptance of monetary or non-monetary benefits from third parties is not granted in exchange for forwarding client orders to execution venues (i.e., is not PFOF), and (iii) other applicable requirements (e.g., under MiFID II/MiFIR) are met.

Model 1 — Own-account dealing (Eigenhandel): Execution of client orders by the investment firm's own-account dealing, e.g., as a systematic internaliser or as a market maker on a multilateral trading venue. Market makers and systematic internalisers provide liquidity and bear own-account trading risk (unlike classic PFOF models). These models remain subject to full best-execution obligations under Article 27(1) MiFID II, including the duty to achieve the best possible result on price, costs, speed, likelihood of execution and settlement, size, nature and any other relevant consideration.

Importantly, Bafin cross-references the RTS specifying criteria for establishing and assessing the effectiveness of investment firms' order execution policies under revised MiFID II. On 23 July 2026, this RTS was published in the Official Journal of the EU (Commission Delegated Regulation (EU) 2026/825). The published text[4] appears unchanged from the version adopted by the Commission following ESMA's Final Report (ESMA35-335435667-6253, 10 April 2025). The RTS will enter into force on 12 August 2026 (20 days after publication) but has an 18-month implementation period, meaning its provisions will apply from 12 February 2028. The RTS sets out requirements on: (i) the establishment of an investment firm's order execution policy, including the classification of financial instruments and the selection of venues; (ii) procedures and criteria to monitor and regularly assess the effectiveness of execution arrangements and the order execution policy; (iii) execution of client orders through own-account dealing; and (iv) how firms should deal with specific client instructions. Under RTS Article 3(3), a firm using only a single execution venue for a given class of financial instruments (or for all client orders) must set out in its order execution policy a justification of how that single venue ensures the best possible result for clients on a consistent basis. Under RTS Article 8(3), such firms must additionally, at least annually, assess whether continuing to execute on that single venue still ensures the best possible result — including a comparison against available alternative execution venues.

Model 2 — Product-related distribution remuneration: Payments from issuers for primary market products that lack a liquid secondary market (apart from the manufacturer's own quotes) fall outside the PFOF ban, provided the remuneration is granted by the issuer independently of the order routing or channel and does not create a conflict of interest in order execution. Product governance, inducement-ban and conflicts-of-interest rules continue to apply.

[4] Available here.

Impermissible circumvention structures

Bafin considers changes to PFOF-based models non-compliant where, viewed economically, PFOF from third parties still flows to and is accepted by the investment firm — i.e., where the payment stream falls within the wording of Article 39a(1) MiFIR or where the ban's purpose is obviously circumvented. Bafin names three example structures it regards as impermissible:

Structure	Mechanism	Why Bafin considers it non-compliant
"PFOF paid on the customer's instruction" (rebating via customer account)	Market maker credits PFOF to a customer clearing/settlement account; the payment is then forwarded "on the customer's behalf" to the investment firm, which discounts its order fee by the amount received.	Viewed economically, payment flows and revenues remain unchanged. The firm retains the conflict of interest of preferring venues/market makers from which a rebate can be obtained. Art. 39a(1) MiFIR contains no carve-out for payments made "on the customer's behalf" (unlike the inducement-ban exception under Art. 24(9) MiFID II / Section 70(1) sentence 1 WpHG).
"Intermediate commission agent" structures (splitting the order chain)	A retail-facing investment firm forwards client orders to another firm (acting as Zwischenkommissionär/intermediate commission agent) for execution, arguing the executing firm receives orders from an eligible counterparty rather than directly from retail clients.	The nature and origin of the original order is unchanged by interposing a suitable counterparty. The executing firm knows it acts in intermediate/sub-commission and is executing retail/professional client order flow; it must still observe that the order originates from retail or professional clients and may not accept PFOF.
Group-owned MTF with inflated "settlement fees"	PFOF is relabelled as a "settlement fee" (*Abwicklungsentgelt*) paid by issuers to a group-affiliated trading venue (e.g., an MTF) at a level far above the venue's actual operating costs.	The economic aim is to distribute PFOF as a profit from the group's MTF operator to the group's order-flow-providing investment firm (the ban's addressee). The fee level far exceeds market norms and operating costs. Bafin treats this as an impermissible circumvention because the ban's regulatory purpose is fulfilled in substance.

Bottom line: Bafin's approach is consistently substance-over-form (*wirtschaftliche Betrachtungsweise, nicht formal*). Merely relabelling the payment stream — whether as a "customer instruction," "intermediary fee," or "settlement charge" — does not take a firm outside the scope of Article 39a(1) MiFIR.

Additional Bafin clarifications on the scope of the ban

Aufsichtsmitteilung 05/2026 (WA) further clarifies the following points on the scope of the PFOF ban:

- **Instructed orders and OTC execution:** The PFOF ban also applies to client orders where the client specifies the execution venue (instructed/directed orders) and to OTC execution via a dealer on own account.

- **Narrow exception under Article 39a(1), second subparagraph, MiFIR:** The only permitted rebates are discounts/refunds of transaction fees under a trading venue's public and approved fee schedule, and only where they: (i) benefit exclusively the client and not the investment firm; (ii) are not granted retroactively to all orders (including already-executed orders) once a threshold is reached; and (iii) do not exceed the transaction fees originally paid (i.e., are not net payments to the order-flow provider). A separate clarification notes that negative transaction fees permitted under a venue's public fee schedule for orders that market participants route to a venue for their own account (i.e., not on client instruction), such as liquidity-providing orders, are not caught by the PFOF ban.

- **No unwritten exceptions:** There are no unwritten exceptions to the PFOF ban. Because Art. 39a(1) MiFIR is an independent rule alongside the (often parallel) inducement ban, exceptions to the inducement ban under Article 24(9) MiFID II cannot be transposed into Article 39a(1) MiFIR. Accordingly, the PFOF ban also catches: (i) accepting PFOF and passing it on to clients; and (ii) third-party payments made in connection with order routing "on the client's behalf/instruction."

- **Level playing field and contact point:** Bafin continually liaises with ESMA and other national competent authorities (**NCA**s) to ensure a European level playing field in enforcing the PFOF ban. Bafin is available to market participants and affected investment firms for questions on the scope of the ban and on transitioning PFOF-based business models, via pfof@Bafin.de. Bafin notes that the supervisory notice may in time be converted into a formal circular (Rundschreiben) as administrative practice consolidates.

- **Enforcement and sanctions:** Non-compliance with Article 39a(1) MiFIR may trigger supervisory measures under the WpHG, including orders to cease impermissible practices (Section 6(3) WpHG), administrative fines, and — in serious or repeated cases — restrictions on or withdrawal of authorisation. Bafin has signalled its intention to monitor compliance actively and to coordinate enforcement with ESMA and other NCAs to ensure a level playing field across the EU.

No application to crypto-asset service providers

The Bafin notice's scope is expressly limited to investment services undertakings that are traditional financial services firms — it does not extend, on its own terms, to crypto-asset service providers (**CASPs**) or crypto-asset activity as such, except to the extent an activity in a crypto-asset happens to fall within the definition of a "financial instrument" under MiFID II.

- **What the notice itself says about scope:** Bafin defines the "Anwendungsbereich" (scope of application) of Aufsichtsmitteilung 05/2026 (WA) by reference to the addressees of the PFOF ban itself: "Wertpapierfirmen nach Art. 4 Abs. 1 Nr. 1 der Richtlinie 2014/65/EU (MiFID II)," which in Germany means, in particular, all investment services undertakings (*Wertpapierdienstleistungsunternehmen*) under Section 2(10) WpHG. This is a MiFID II/WpHG concept — it captures firms authorised to provide MiFID II investment services in "financial instruments," not the bespoke authorisation category of CASP created by the Markets in Crypto-Assets Regulation (**MiCAR**, Regulation (EU) 2023/1114). The notice contains no reference anywhere to MiCAR, CASPs, or crypto-assets.

- **Where crypto activity could still be caught:** The boundary is not about the label "crypto" but about instrument classification. If a firm executes retail client orders in tokenised instruments that qualify as "financial instruments" under MiFID II (for example, security tokens or tokenised transferable securities within Annex I, Section C of MiFID II), that firm is acting as a MiFID II investment firm for that business line and would fall squarely within Article 39a(1) MiFIR and Bafin's supervisory expectations — including the prohibition on the three named circumvention structures. The determining question is always whether the underlying asset is a "financial instrument" under MiFID II, not whether it is described commercially as a "crypto-asset."

- **Practical takeaway:** For a firm operating both a MiFID II retail brokerage business and a MiCAR-licensed crypto-asset service line, the PFOF notice governs the former in full, has no direct application to the latter, and requires careful line-drawing wherever tokenised products blur the two categories (e.g., tokenised securities, security-token trading venues, or MTFs that list both traditional and crypto-linked instruments). Firms in that position should assess, instrument by instrument, whether MiFID II or MiCAR is the operative regime before concluding the Bafin notice is inapplicable to a given revenue stream.

Why Bafin's publication matters for market participants

With the transitional period expired and Bafin's notice now naming concrete impermissible structures, affected firms face an implementation problem rather than an interpretation problem. The compliance obligation is operative and the supervisory expectations are specific. Firms should expect the notice to have implications across multiple operational and legal dimensions, including:

1. **Introducing broker/executing broker agreements:** Existing order-routing and revenue-sharing arrangements between introducing brokers and executing brokers may need to be restructured or terminated where payments are economically linked to order flow.

2. **Client-classification and order-origin data:** Firms must be able to identify whether orders originate from retail or in-scope professional clients, particularly in intermediated chains where order origin may not be immediately visible.

3. **Group venue fee structures:** Intra-group fee arrangements — including transaction-based fees, volume discounts and rebates paid by group execution venues — require scrutiny to ensure they are not economically equivalent to prohibited PFOF.

4. **Distribution agreements:** Agreements with product manufacturers or issuers that include order-routing elements or volume-linked payments should be reviewed to confirm they fall within the permitted primary-market distribution exception.

5. **Execution policies and venue-comparison evidence:** Firms using a single execution venue must document how that venue ensures best execution on a consistent basis and conduct annual comparisons against alternative venues — with particular rigour where the venue is within the same group.

6. **Governance approval for post-PFOF revenue models:** Any transition to a new revenue model — whether principal dealing, subscription-based pricing or otherwise — should be subject to formal governance approval, with documented analysis of regulatory, commercial and operational implications.

How Bafin's publication compares to other NCAs

Where Bafin is more detailed—or potentially stricter

Overall assessment: Bafin follows the emerging EU consensus on the substance of the PFOF prohibition, but goes materially further than most other NCAs in specifying how it will assess replacement business models. It is therefore less a divergent German interpretation than an unusually detailed, economically substance-based implementation guide.

That greater specificity is partly explained by Germany's unique position: Germany was the **only Member State to notify ESMA that it would use the temporary exemption until 30 June 2026**. Other Member States were already subject to the prohibition, or had effectively prohibited PFOF under their existing conduct rules. Bafin is consequently dealing with a larger population of firms actively redesigning previously PFOF-dependent models.

Where Bafin follows the common European approach:

1. Broad and purposive interpretation of Article 39a

Bafin treats Article 39a MiFIR as an autonomous prohibition directed at the conflict inherent in venue-dependent third-party remuneration, rather than simply another application of the MiFID II inducements regime. It expressly rejects importing the inducements exemption for payments made “on behalf of the client” into Article 39a.

That is fully consistent with the Commission’s March 2026 Q&As: client instructions to use a particular venue do not disapply the prohibition; OTC execution is within scope; and rebates are permissible only under an approved, public venue tariff, must benefit the client exclusively, and must not generate a monetary benefit for the investment firm. Bafin reproduces those points almost directly, including for instructed orders, OTC execution and the narrow tariff-rebate exception.

2. Strong focus on conflicts and best execution

The basic rationale closely follows the AFM, AMF and Central Bank of Ireland. The Dutch AFM had already concluded from transaction-data analysis that the PFOF venues it examined consistently produced worse execution prices for retail clients. The AMF advocated a strict prohibition because of the structural conflict between client execution quality and routing remuneration. The Central Bank of Ireland similarly characterised PFOF as apparently incompatible with several MiFID II requirements and emphasised hidden execution costs and the diversion of flow from transparent markets. Bafin adopts the same conflict analysis: third-party payments create an irresolvable incentive affecting both the selection of, and initial connection to, execution venues.

3. Economic substance over contractual form

Bafin’s central test is whether, “bei wirtschaftlicher Betrachtungsweise”, the revenue continues to be provided by a third party in return for order flow. It will therefore look beyond the formal payment route, contracting entity or label attached to the payment. That is consistent with the broader European and UK supervisory philosophy. The FCA has long treated PFOF as fundamentally inconsistent with best execution and conflicts requirements and has required firms to examine overseas affiliates and alternative contractual structures rather than merely the direct payment recipient.

Where Bafin is more detailed—or potentially stricter:

Issue	**Bafin position**	**Comparison with peer NCAs**
Principal dealing/SI model	Expressly permissible where the investment firm genuinely acts as principal, including as an SI or market maker, bears proprietary risk and complies with pricing and best-execution requirements.	More constructive and operational than the largely policy-level statements of the AMF, AFM and CBI. Bafin makes clear that monetising execution through genuine spread and risk-taking is not itself prohibited.
Primary-market distribution remuneration	Issuer-paid remuneration may fall outside Article 39a where it relates to primary-market products without a liquid secondary market, is independent of the order route and does not create an execution conflict.	I have not identified an equally explicit public safe-harbour formulation from another major NCA. This is a useful—and comparatively permissive—German clarification.
Client-account pass-through	A market maker cannot credit the client and have the client account automatically pass the payment to the broker, even where the broker labels the result a reduction of the client’s order fee.	Follows the Commission Q&As, but applies them to a concrete restructuring that the EU Q&As do not expressly describe.
Intermediate commission agent	An executing intermediary cannot rely on the immediate counterparty being another investment firm or eligible counterparty where it knows that the underlying order originated with protected clients.	This is one of the most consequential and potentially expansive parts of the notice. Public peer guidance generally has not articulated such a clear origin-of-order look-through rule.

Issue	Bafin position	Comparison with peer NCAs
Group-owned MTF	A group MTF is not inherently prohibited, but abnormally high “processing” or execution fees exceeding its operating costs may be recharacterised as PFOF, particularly where value returns to the broker through group distributions.	This adds a transfer-pricing and cost-benchmarking dimension that is not found expressly in the Commission Q&As or in the principal public NCA statements reviewed.
Form of guidance	Temporary supervisory communication, valid until June 2029, capable of amendment and possible conversion into a Bafin circular.	Other NCAs have tended to rely on the directly applicable MiFIR rule, ESMA material, risk reports, surveys or pre-existing national positions rather than issue a comparable catalogue of permitted and prohibited structures.

How the named peer approaches compare

Netherlands—AFM: Historically stricter and more empirical. PFOF was already regarded as prohibited in the Netherlands, and the AFM produced data suggesting inferior execution outcomes. Bafin reaches the same legal destination but gives German firms more detail on permissible replacement models.

France—AMF: Strongly supportive of an outright ban and sceptical that best-execution and inducement controls alone could manage the conflict. Bafin is aligned in principle but less rhetorical and more accommodating of genuine principal-dealing, SI and primary-market distribution models.

Ireland—CBI: Focused on conflicts, hidden costs and market-structure effects and considered PFOF apparently incompatible with existing MiFID II provisions even before Article 39a. Bafin follows this reasoning but adds concrete anti-avoidance typologies.

Belgium—FSMA: Previously incorporated PFOF into its MiFID activity-mapping and supervisory data collection, asking firms expressly whether they received such remuneration. That is more of an inventory and risk-identification approach than Bafin’s public legal classification of specific models.

Austria—FMA: Supported the prohibition and specifically noted that Austria did not use the grandfathering option. It appears to have relied on immediate application of the EU rule rather than publishing a comparable restructuring guide.

The two most important possible divergences relevant to Bafin’s publication

1. The “Zwischenkommissionär” look-through

This is probably the most novel provision. Bafin says that inserting another investment firm into the execution chain does not alter the nature or origin of the order. An intermediary that knows it is executing retail order flow in a commission or sub-commission arrangement may not accept PFOF merely because its immediate contractual client is an eligible counterparty.

That may require executing firms to obtain information that is not ordinarily necessary solely from the classification of their immediate client, including: whether the order originates from an underlying client; the underlying client category; whether the intermediary is acting in a commission or principal capacity; and whether remuneration varies according to the venue or order source. This is consistent with the purpose of Article 39a, but it moves beyond the Commission Q&As and creates a potentially significant information-sharing obligation along the order chain.

2. Reference to all "professional clients"

Article 39a applies to retail clients and professional clients falling within Section II of Annex II to MiFID II—that is, clients treated as professional on request, rather than necessarily every per se professional client. In the intermediate-agent section, however, Bafin refers broadly to orders originating from "*Privatkunden oder professionellen Kunden*". Read literally and in isolation, that is broader than Article 39a's express client perimeter.

The better interpretation is that Bafin intended to refer to the professional clients covered by Article 39a, but firms should not assume this drafting point is immaterial. Clarification may be needed where order chains involve per se professional clients or eligible counterparties.

Bottom line

For German and cross-border groups, the practical question is therefore no longer merely whether a payment is contractually labelled as execution remuneration. It is whether the consolidated economics of the order chain leave the broker or another relevant investment firm better off because protected-client orders are directed to a particular execution venue. Bafin also states that it is coordinating continuously with ESMA and other NCAs, so these German examples could become influential convergence cases rather than remain purely national interpretations.

A structured assessment framework

Bafin's supervisory notice creates a clear framework within which firms must now act. Rather than defaulting to a particular business-model transition, affected firms should conduct a structured assessment across the following dimensions:

1. **Legal characterisation:** Map all existing order-flow monetisation arrangements and assess each against the three named impermissible structures. Determine whether, viewed economically, any arrangement results in a third-party payment to the firm in exchange for forwarding client orders.

2. **Licensing and prudential consequences:** Assess whether any contemplated business-model change — including a shift to principal dealing, systematic internalisation or market making — would require additional licensing permissions, trigger changes to own-funds or capital requirements, or alter the firm's market-risk exposure and prudential treatment.

3. **Execution-quality evidence:** Document how the firm's current execution arrangements ensure best execution on a consistent basis. Where a single venue is used, conduct an annual comparison against available alternative execution venues and maintain records demonstrating that venue selection is driven by client outcomes, not revenue considerations.

4. **Revenue and cost flows:** Analyse consolidated economics across the order chain to identify whether any revenue or cost arrangement — including fees, rebates, discounts or cross-subsidies — leaves the firm economically better off because protected-client orders are directed to a particular execution venue.

5. **Intra-group arrangements:** Review all intra-group order-routing, fee-sharing and execution arrangements. Bafin's guidance makes clear that intra-group transactions are not automatically exempt; the same economic-substance analysis applies, and firms should be prepared to demonstrate that no prohibited PFOF flows exist within the group structure.

6. **Contractual amendments:** Identify agreements — with execution venues, market makers, introducing brokers, product manufacturers and clients — that may require amendment to remove prohibited payment terms, adjust fee structures or reflect new execution arrangements.

7. **Assess crypto-asset and tokenised-instrument classification:** Firms operating both MiFID II-authorised and MiCAR-licensed business lines should conduct an instrument-by-instrument classification review. The PFOF ban applies in full to any activity involving "financial instruments" under MiFID II — including tokenised securities and security tokens — regardless of how the product is labelled commercially. For pure MiCAR crypto-asset services, the ban does not apply, but firms must document the classification and be prepared to demonstrate it to Bafin on request.

8. **Regulator engagement:** Track further ESMA Q&A publications, Bafin guidance updates and the potential conversion of the supervisory notice into a more formal *Rundschreiben*. Consider proactive engagement with Bafin via pfof@Bafin.de for firm-specific questions, particularly where the contemplated business-model transition involves novel structures or cross-border elements.

About us

PwC Legal is assisting a number of financial services firms and market participants in forward planning for changes stemming from relevant related developments. We have assembled a multi-disciplinary and multi-jurisdictional team of sector experts to support clients navigate challenges and seize opportunities as well as to proactively engage with their market stakeholders and regulators.

Moreover, we have developed a number of RegTech and SupTech tools for supervised firms, including PwC Legal's Rule Scanner tool, backed by a trusted set of managed solutions from PwC Legal Business Solutions, allowing for horizon scanning and risk mapping of all legislative and regulatory developments as well as sanctions and fines from more than 2,500 legislative and regulatory policymakers and other industry voices in over 170 jurisdictions impacting financial services firms and their business.

Equally, in leveraging our Rule Scanner technology, we offer a further solution for clients to digitise financial services firms' relevant internal policies and procedures, create a comprehensive documentation inventory with an established documentation hierarchy and embedded glossary that has version control over a defined backward plus forward looking timeline to be able to ensure changes in one policy are carried through over to other policy and procedure documents, critical path dependencies are mapped and legislative and regulatory developments are flagged where these may require actions to be taken in such policies and procedures.

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If you would like to discuss any of the developments mentioned above, or how they may affect your business more generally, please contact any of our key contacts or PwC Legal's RegCORE Team via de_regcore@pwc.com or our website.

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