

Regulatory Classification & License Decision Sprint

A structured regulatory assessment prior to strategic licensing decisions

Overview

Problem

Many FinTechs and smaller financial institutions encounter early-stage uncertainty regarding whether and to what extent their business model requires regulatory authorization. Questions frequently arise around correct regulatory classification, the distinction between regulated and unregulated activities, and the implications of different licensing paths. Insufficient clarity at this stage can lead to delays, avoidable costs, or premature entry into complex licensing processes without a robust decision basis.

Solution

The Regulatory Classification & License Decision Sprint provides a structured regulatory assessment of your business model. The module analyzes relevant activities, maps them against the applicable regulatory framework, and systematically evaluates potential structuring options.

The objective is to make regulatory implications transparent and enable informed management decisions, without initiating a licensing process, engaging with supervisory authorities, or providing formal legal advice.

Key Benefits

- Clear regulatory classification of complex business models
- Transparent comparison of potential structuring and licensing options
- Reduction of avoidable missteps and unnecessary downstream costs
- Robust basis for internal, partner, and investor discussions

Client Profile

The Regulatory Classification & License Decision Sprint is designed for FinTechs and smaller financial institutions planning new business models, products or revenue streams, or expanding existing activities, who require a robust regulatory assessment.

It is particularly relevant where regulatory considerations materially influence strategic direction or structural decisions.

Typical Situations

The Sprint is relevant when new products, payment flows, or business models are being developed and uncertainty exists regarding their regulatory classification. Common scenarios include product launches, market entry into new jurisdictions, discussions with partner banks or investors, evaluation of potential licensing, agent, or partnership structures.

Outcome and Deliverables

Upon completion of the Regulatory Classification & License Decision Sprint, you will have a structured regulatory classification of your business model. This assessment clearly outlines which activities are not subject to authorization, where potential authorization requirements may arise, and which regulatory frameworks are relevant.

In addition, you will receive a systematic overview of possible structuring options, including their fundamental regulatory implications and dependencies.

Scope and Limitations

The Regulatory Classification & License Decision Sprint provides regulatory classification and decision support at a conceptual level. The review focuses exclusively on regulatory classification of the business model, products, and relevant activities and payment flows.

The module does not constitute legal advice and does not replace case-specific legal review. It does not include communication with supervisory authorities, preparation

or submission of license applications, or support during approval procedures. Operational implementation of regulatory requirements is outside the scope of the module.

The purpose of the Sprint is to establish a robust foundation for informed management decisions prior to further regulatory steps. It does not replace binding supervisory determinations or approvals.

Approach and Timing

The Regulatory Classification & License Decision Sprint follows a compact and structured methodology designed to provide clarity, classification, and decision readiness. The objective is to establish transparency regarding regulatory classification and realistic structuring options within a defined timeframe, without entering into a licensing or implementation phase.

Phase 1

Kickoff and Scope Definition (approx. 60–90 minutes)

At the outset, we jointly review the business model, offered products, relevant payment and value flows, and involved parties. The regulatory context and key questions are defined and scoped.



Phase 2

Regulatory Classification and Options

Based on the information collected, relevant activities are systematically classified within the applicable regulatory framework. Potential structuring options are identified and assessed in terms of their fundamental regulatory impact.



Phase 3

Consolidation and Decision Basis

The findings are consolidated into a clearly structured decision memorandum. In a closing discussion, the classification is explained and possible next steps are assessed.



Timeframe

The Sprint is typically conducted within 5–10 business days. The exact timeline depends on the complexity of the business model and the number of relevant activities.

Required Information

To conduct the Regulatory Classification & License Decision Sprint, we require a description of your business model, offered products, and relevant payment and value flows. The requested input is intentionally pragmatic and builds on available information.

Existing presentations, concept documents, or draft materials will be considered. A prior legal assessment or prepared application documentation is not required. Any missing structural details are clarified as part of the module.

Fee Structure

The Regulatory Classification & License Decision Sprint is offered as a fixed-fee module. The final fee depends on scope, client structure, and complexity of the setup.

Following a brief introductory discussion, you will receive a binding fixed-fee proposal. There are no ongoing obligations.

Start date/availability

By agreement, typically available at short notice.



Next Steps

We would welcome the opportunity to discuss in a 30-minute introductory call whether the Regulatory Classification & License Decision Sprint is appropriate for your situation and how it integrates into your existing organization. You will subsequently receive a fixed-fee proposal.

Get in touch



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