



EDBS/KH/C/25/2019

26th March 2019

Chief Executive Officers

All Banks

Manama

Kingdom of Bahrain

Dear Sir,

Re: Issuance of the Digital Financial Advice rules

The CBB is pleased to issue the Digital Financial Advice Module (Module DA), and the related amendments to Licensing Requirements Module (Module LR) and the Glossary as part of the CBB Rulebook Volumes 1 and 2, following the industry consultation and feedback process (Refer to EDBS/KH/C/10/2019, dated 21st January 2019).

By the issuance of these rules, the banks will be able to offer financial advice to its clients using digital tools. While the new rules focus on providing safeguards and controls governing the use of algorithms or AI underlying the software programs used in the digital advisory tools”, other existing rules relevant to the regulated activity of providing financial advice continue to apply.

The Digital Financial Advice Module, amended Module LR, and the Glossary shall be available on the CBB website under CBB Rulebook Volume 1 and 2 in due course.

Should you have any queries in respect of the above, please contact your normal supervisory point of contact.

Yours faithfully,


Khalid Hamad

cc: Bahrain Association of Banks
External Audit Firms