



EDFIS/C/034/2019  
28<sup>th</sup> March 2019

**Chief Executive Officers**  
All Investment Firm Licensees  
Manama  
Kingdom of Bahrain

Dear Sir/Madam,

**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 Authorisation Module (Module AU), Risk Management Module (Module RM) and the Glossary as part of the CBB Rulebook Volume 4, following the industry consultation and feedback process (Refer to EDFIS/C/09/2019 dated 22<sup>nd</sup> January 2019).

By the issuance of these rules, the investment firms will be able to offer financial advice to their 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 DA Module, amended Module AU and Module RM, as well as amendment to the Glossary shall be available on the CBB website under CBB Rulebook Volume 4 in due course.

Should you have any queries with respect to any matter referred to herein, please do not hesitate to contact Mrs. Ebtisam Al Arrayed – Director of Financial Institutions Supervision Directorate on Tel: 17547968.

Yours faithfully,

**Abdul Rahman Al Baker**