



# **Glossary of Defined Terms**



## Glossary History

Version Date	Description of Changes
July 2004	Initial Launch Version.
July 2006	Updated version, including new defined terms of retail bank and wholesale bank license sub-categories, and definitions of regulated banking services.
April 2010	Updated Definition of Deposit in accordance with Resolution No. (23) of 2009 in respect of Definition of Deposit.
October 2010	Amended definition for Chief Executive Officer; added definition of Executive director, Independent director; Non-executive director; Remuneration, and; senior manager/management.
January 2011	Minor corrections and amendments for consistency purposes; Amended definition for approved person(s), collective investment undertaking, exposure(s), security(ies); Added definition for accredited investor(s), acquisition(s), bond(s); capital instrument(s), close links, connected person(s), future(s), investment(s), investment analyst, investment research, licensed exchange(s); market, option(s), participant(s), personal account transaction, public offering(s), qualifying holding(s), real time promotion, retail customer(s), self-regulatory organisation(s) or SROs, soft dollar agreement, swap(s), warrants; Deleted definition of independent non-executive director.
April 2011	Amended definition of executive director.
October 2011	Clarified definition of independent director; Added definition for appointed expert(s), qualified by exception. Amended definition of trilateral meeting.
January 2012	Amended definition of independent director; Added definition for underwriting.
April 2012	Corrected cross reference for the definition of director; Corrected typo in the definition of conflict of interest; Updated definition of qualifying holdings to be in line with Module CM.
July 2012	Added definition for Bahrain domiciled CIU(s); Amended definition of controller to be in line with Module GR.
October 2012	Added definition for conspicuous notice, eligible account(s), eligible depositor(s), framework, principal, transferee and transferor. Amended definition of Basel Committee and deposit(s) or deposit account(s).
January 2013	Added definition for financial services. Amended definition of deposit-taking, providing credit, public offering(s).
October 2013	Updated definition of controllers to be in line with Module GR.



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Version Date	Description of Changes
January 2014	Added definition for clawback, malus, material risk-takers. Amended definition of remuneration.
July 2014	Amended definition for clawback.
October 2014	Amended definition of Authorised money or value transfer service provider(s). Amended definition for financial instruments trader. Corrected cross reference for relevant authorities.
January 2015	Added definition of affiliate, banking group, credit risk, financial entity, market risk, minority interest, operational risk, securities financing transactions, subsidiary and trigger event. Amended definition for control and price risk. Corrected cross reference for acquisition(s).
April 2015	Amended definition of overseas conventional retail bank licensee(s) and subsidiary(ies). Deleted the definition of head of function and qualifying holding(s).
January 2016	Amended the definition of approved person(s).
April 2016	Added definition for disabled customer(s). Amended the definition of controlled function(s).
July 2016	Amended definition of Politically Exposed Persons (PEPs).
October 2016	Added definition of major investment.
April 2017	Added definition of Bahraini retail bank licensee(s).
April 2017	Added definition of Bahraini wholesale bank licensee(s).
July 2017	Added definition of Bahraini conventional retail bank(s).
July 2017	Added definition of Bahraini conventional wholesale bank(s).
July 2017	Deleted Bahraini retail bank licensee(s).
July 2017	Deleted Bahraini wholesale bank licensee(s).
July 2017	Added definition of branches of foreign bank licensee(s).
July 2017	Added definition of country risk..
July 2017	Deleted definition of overseas conventional bank licensee(s).
July 2017	Deleted definition of overseas conventional retail bank licensee(s).
July 2017	Added definition of transfer risk.
July 2017	Deleted the definition of wholesale banks.
October 2017	Added definition of beneficial owner.
October 2018	Added definitions of Module LM.
December 2018	Added definitions of Account Information Service, Account Information Service Provider 'AISPs', Originator Information, Payment Initiation Service, Payment Initiation Service Provider 'PISPs'.
December 2018	Amended definition of Ancillary Service Provider.
March 2019	Definition of Digital Financial Advice



**D**

**Digital Financial Advice**

Digital financial advice, also commonly known as robo-advice or automated advice is the advising on financial instruments as defined under LR-1.3.48 using algorithms and technology and with limited or no human financial advisor involvement.