



## Guernsey Financial Services Commission

7 July 2026

Dear CEO

*Ongoing Technology Risk and the Use of Advanced Vulnerability Discovery Tools*

The Commission supports innovation and recognises the role that Artificial Intelligence (“AI”), in all forms, could play in transforming the way financial services are administered, managed and delivered at all levels ([Policy Statement – Use of Artificial Intelligence — GFSC](#)).

Recent international developments, including the use of advanced AI tools to identify vulnerabilities within existing software, have demonstrated both the opportunities and risks arising from rapidly advancing technology.

The Commission notes that such tools do not necessarily create new weaknesses; rather, they expose ones that already exist within systems relied upon by firms, customers and markets. This discovery capability can materially improve defensive arrangements, but it also reinforces the importance of continuous and proactive maintenance of technology environments.

The Bailiwick’s principles-based regulatory framework is deliberately designed to enable firms to embrace technological change without inhibiting innovation. It also places a responsibility on firms to ensure systems that are in use are subject to ongoing review and updates where appropriate. Firms should be satisfied that technology risk is not treated as static, but as an evolving exposure, requiring ongoing monitoring.

It is important that the firms, understand the IT patching regime in place for its organisation, and that it remains appropriate, especially if, with recent developments, there is a need to rectify weaknesses in a significantly shortened timeframe without reducing checks and controls. If a firm is using a third-party outsourced provider, they should ensure that this outsourced provider is able to meet the ongoing needs of the firm with respect to this changing environment.

I should be grateful if you could bring this letter to the attention of your Board and senior management.

Yours sincerely,  
Conor Osborough  
Director of Technology