

U.S. financial regulators focus on artificial intelligence and machine learning

April 1, 2021 | Client Update

The use of artificial intelligence and machine learning (AI) in the financial sector has become a high priority for the U.S. financial regulators. In a rare event, five of them have joined together to issue a broadly-worded request for information and comment on the use of AI by financial institutions (RFI), which consists of 17 questions for public comment.

The tone and tenor of the questions show that, while the U.S. financial regulators are generally supportive and see the benefits of responsible innovation, they also are focused on how AI can be misused or produce an unintended, illogical, incorrect, or biased result, either for customers or the financial institution. The RFI should be viewed as a prelude to future rule makings, guidance and enforcement actions.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

Matthew J. Bacal

+1 212 450 4790
matthew.bacal@davispolk.com

Robert A. Cohen

+1 202 962 7047
robert.cohen@davispolk.com

Gabriel D. Rosenberg

+1 212 450 4537
gabriel.rosenberg@davispolk.com

Margaret E. Tahyar

+1 212 450 4379
margaret.tahyar@davispolk.com

Zachary J. Zweihorn

+1 202 962 7136
zachary.zweihorn@davispolk.com

This communication, which we believe may be of interest to our clients and friends of the firm, is for general information only. It is not a full analysis of the matters presented and should not be relied upon as legal advice. This may be considered attorney advertising in some jurisdictions. Please refer to the firm's privacy notice for further details.

Related materials

[2021-04-01_u.s._financial_regulators_focus_on_artificial_intelligence_and_machine_learning.pdf](#)