

**Office of Thrift Supervision**

Department of the Treasury

Managing Director, Examinations, Supervision, and Consumer Protection

1700 G Street, N.W., Washington, DC 20552 • (202) 906-7984

August 15, 2006

MEMORANDUM FOR: CHIEF EXECUTIVE OFFICERS**FROM:**

Scott M. Albinson

SUBJECT:

Frequently Asked Questions on Authentication in an Internet Banking Environment (FAQs)

The Office of Thrift Supervision (OTS), the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the National Credit Union Administration, and the Office of the Comptroller of the Currency have issued the attached FAQs to assist you and your technology service providers to conform with the Federal Financial Institutions Examination Council's (FFIEC's) guidance entitled *Authentication in an Internet Banking Environment* (the guidance) issued on October 12, 2005.

The guidance, which updates the FFIEC's Authentication in an Electronic Banking Environment issued in 2001, addresses the need for risk assessments, customer awareness, and enhanced security measures to authenticate customers using Internet-based services that process high risk transactions (i.e., transactions involving access to customer information or the movement of funds to other parties).

The attached FAQs represent questions that OTS and the other federal banking agencies have received from financial institutions and technology service providers regarding the guidance, and they address the scope of the guidance, key definitions, risk assessments, the time frame for conformance, and other issues. You should use these FAQs in conjunction with the guidance as you complete the risk assessments of your Internet-based services and implement appropriate authentication solutions.

Please direct questions or comments regarding the FAQs to your OTS Regional Office or to Lewis C. Angel, Technology Program Manager, at (202) 906-5645.

[Attachment](#)