

# COMPLIANCE ISSUES INVOLVING ELECTRONIC SERVICES

**ON-LINE SERVICES:  
INTERNET,  
PERSONAL  
COMPUTER,  
INTERACTIVE  
TELEVISION  
OR VIDEO  
KIOSKS, ETC.**

## **Advertising and Information Only Systems**

*Includes advertising of loans, leases, deposit services -- Truth in Lending Act, Equal Credit Opportunity Act, Consumer Leasing Act, Truth in Savings Act and Fair Housing Act apply.*

- Unfair or Deceptive Advertising -- Consider state laws that may apply
- FDIC official advertising statement and Equal Housing Lending logo
- Information displayed as a on-line "lobby board" or scrolling message may constitute an advertisement

## **On-line Depository Services**

*Electronic Fund Transfer Act, Expedited Funds Availability Act, Truth in Savings Act, and Regulation D (Reserve Requirements of Depository Institutions) apply.*

- Major areas for consideration: delivery of disclosures; notices; periodic statements; error resolution procedures
- Ensure appropriate account authorization, including signature issues
- Determine appropriate manner of delivering written notices and/or other information to and from the customer with an on-line account
- Ensure disclosures are delivered in a timely manner and are "clear and conspicuous"/ "clear and readily understandable" as required
- Ensure that correspondence and requests for information received from consumers via on-line or electronic communication are responded to in accordance with the regulations
- Consider BSA "Know Your Customer" implications

## **Lending and Leasing Services**

*Equal Credit Opportunity Act, Home Mortgage Disclosure Act, Consumer Leasing Act, Truth in Lending Act, Unfair and Deceptive Practices Act, Community Reinvestment Act, Fair Credit Reporting Act, and the Fair Housing Act apply.*

- Major areas for consideration: delivery of disclosures; notices; periodic statements; error resolution procedures
- Determine appropriate manner of delivering "written" notices and/or other information to and from the customers in an on-line environment
- Ensure that disclosures are delivered in a timely manner and meet the "clear and conspicuous" standard as required
- Ensure timely delivery of Adverse Action Notices in an appropriate manner
- Ensure that on-line products are offered and evaluated on a nondiscriminatory basis and that no illegal discouragement exists
- Determine that monitoring information and/or data collection requirements of Regulation B, C, and BB are handled appropriately
- Ensure that applications taken on-line receive the information required by the regulation
- Ensure that correspondence received from consumers via electronic communication are responded to in accordance with the regulations

## **Non-Deposit Investment Products**

*Includes securities, mutual funds, and annuities  
See Interagency Statement on Retail Sales of Non-deposit Investment Products.*

- Ensure appropriate notices are provided or posted indicating the services are not FDIC-insured, not guaranteed by the bank, and subject to loss of principal
- Consider whether non-deposit investment sales are appropriately segregated from where retail deposits are solicited in an on-line environment