



# NEWS RELEASE

Comptroller of the Currency  
Administrator of National Banks

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## **More National Banks Offer Internet Services, But Active On-Line Customers Are Few**

WASHINGTON -- The number of national banks that allow customers to conduct financial transactions on their internet sites increased 52 percent from September 1999 to July 2000, according to analysis conducted by bank examiners from the Office of the Comptroller of the Currency (OCC). Thirty-two percent of national banks had transactional Web sites in July compared to 21 percent in September 1999.

A growing number of small banks (those with less than \$100 million in assets) are offering transactional Web sites, although they are less likely to provide services over the Internet than larger institutions. Seventeen percent of small banks offered transactional internet banking in July 2000, an increase from 7 percent in September 1999.

Thirty-eight percent of national banks have no Web sites at all, either transactional or informational. In September 1999, that figure was 46 percent. Forty-eight percent of national banks said they have no plans for transactional Web sites, with small banks accounting for most of that group. Nearly two-thirds of the banks with less than \$100 million in assets said they do not intend to offer transactional internet banking.

Customer use of transactional Web sites at national banks is growing but remains at modest levels. Four to six percent of the national banks with transactional Web sites report that over 25 percent of its on-line customers are regular users of internet banking services. Overall, the majority of national banks with transactional Web sites have less than 10 percent of their on-line customers who are regular users.

The product offerings most often used by customers on national bank transactional Web sites are those involving balance inquiry, funds transfer among accounts and bill payment.

The OCC attaches a high priority to the supervision of national bank internet activity. By yearend, the OCC plans to have completed on-site examinations of all national banks with transactional Web sites as well as OCC-assigned independent service providers to financial institutions. The OCC has also undertaken a vigorous internet training program for examiners. Approximately 300 examiners have received training, including the 95 OCC specialists in information technology systems, who received advanced training.

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The OCC charters, regulates and examines approximately 2,300 national banks and 56 federal branches of foreign banks in the U.S., accounting for more than 56 percent of the nation's banking assets. Its mission is to ensure a safe and sound and competitive national banking system that supports the citizens, communities and economy of the United States.

