DATE: October 20, 2005

SUBJECT: Interagency Guidance on Authentication in an Internet Banking Environment. (SR 05-19)

HIGHLIGHTS: The Federal Financial Institutions Examination Council (FFIEC) has issued the attached guidance titled Authentication in an Internet Banking Environment. This guidance updates and replaces the FFIEC's Authentication in an Electronic Banking Environment issued in 2001 and specifically addresses the need for risk-based assessments, customer awareness, and security measures to reliably authenticate customers accessing financial institutions' Internet-based services. The guidance also emphasizes that the agencies consider single-factor authentication, if it is the only control mechanism, to be inadequate for high-risk transactions involving access to customer information or the movement of funds to other parties.


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