

12 CFR
Banks and Banking
CHAPTER V
OFFICE OF THRIFT SUPERVISION, DEPARTMENT OF THE TREASURY

PART 555 -- ELECTRONIC OPERATIONS

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Authority: 12 U.S.C. 1462a, 1463, 1464.

Source: 63 FR 65682, Nov. 30, 1998, unless otherwise noted.

§555.100 What does this part do?

Subpart A of this part describes how a Federal savings association may provide products and services through electronic means and facilities. Subpart B of this part contains requirements applicable to all savings associations.

Subpart A -- Authority of Federal Savings Associations to Conduct Electronic Operations

§555.200 How may I use or participate with others to use electronic means and facilities?

(a) General. A Federal savings association ("you") may use, or participate with others to use, electronic means or facilities to perform any function, or provide any product or service, as part of an authorized activity. Electronic means or facilities include, but are not limited to, automated teller machines, automated loan machines, personal computers, the Internet, the World Wide Web, telephones, and other similar electronic devices.

(b) Other. To optimize the use of your resources, you may market and sell, or participate with others to market and sell, electronic capacities and by-products to third-parties, if you acquired or developed these capacities and by-products in good faith as part of providing financial services.

§555.210 What precautions must I take?

If you use electronic means and facilities under this subpart, your management must:

(a) Identify, assess, and mitigate potential risks and establish prudent internal controls; and

(b) Implement security measures designed to ensure secure operations. Such

measures must be adequate to:

- (1) Prevent unauthorized access to your records and your customers' records;
 - (2) Prevent financial fraud through the use of electronic means or facilities;
- and
- (3) Comply with applicable security devices requirements of part 568 of this chapter.

Subpart B -- Requirements Applicable to All Savings Associations

§555.300 Must I inform OTS before I use electronic means or facilities?

(a) General. A savings association ("you") are not required to inform OTS before you use electronic means or facilities, except as provided in paragraphs (b) and (c) of this section. However, OTS encourages you to consult with your Regional Office before you engage in any activities using electronic means or facilities.

(b) Activities requiring advance notice. You must file a written notice as described in §555.310 before you establish a transactional web site. A transactional web site is an Internet site that enables users to conduct financial transactions such as accessing an account, obtaining an account balance, transferring funds, processing bill payments, opening an account, applying for or obtaining a loan, or purchasing other authorized products or services.

(c) Other procedures. If the OTS Regional Office informs you of any supervisory or compliance concerns that may affect your use of electronic means or facilities, you must follow any procedures it imposes in writing.

§555.310 How do I notify OTS?

(a) Notice requirement. You must file a written notice with the appropriate Regional Office listed at §516.40(a) of this chapter at least 30 days before you establish a transactional website. The notice must do three things:

- (1) Describe the transactional web site.
- (2) Indicate the date the transactional web site will become operational.
- (3) List a contact familiar with the deployment, operation, and security of the transactional web site.

(b) Transition provision. If you established a transactional web site after the date of your last regular onsite OTS safety and soundness examination but before January 1, 1999, you must file a notice describing your activity by February 1, 1999.

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