

Safe Banking over the Internet

The Internet offers the potential for safe, convenient new ways to shop for financial services and conduct your banking business. Whether you are selecting a traditional bank or an online bank, it is important to make sure that the bank is *legitimate* and that your deposits are *federally insured*.

When using online banking systems:

1. Keep your personal information private and secure
2. Understand your rights as a consumer; and
3. Learn where to go for more assistance from banking regulators.

Tips for Safe Internet Banking:

1. Read key information about the bank on its website. Most bank websites have an “About Us” section that describes the institution, where you might find the bank’s history, the official name and address of its headquarters, and information about its FDIC insurance coverage.

2. Protect yourself from fraudulent websites. Watch out for copycat websites that deliberately use a name or web address very similar to that of a real financial institution. These websites try to get your personal information, such as your account number and password. Check if you have typed in the correct web address for your bank before conducting a transaction.

3. Verify the bank’s insurance status. Look for the FDIC logo or the words “Member FDIC” or “FDIC Insured” on their website. You can also check the FDIC’s online database of FDIC-insured institutions. If your bank does not appear on that list, contact the FDIC.

- a. Some bank websites provide links directly to the FDIC’s website to assist you in identifying or verifying the insurance protection of their deposits.
- b. Note that not all banks operating online are insured by the FDIC. Many banks that are not insured are chartered overseas. If you choose one of these banks, know that the FDIC may not insure your deposits, which can be risky. Contact your bank or the FDIC if you are uncertain.
- c. For insurance purposes, be aware that a bank may use different names for its online or traditional services. This does not mean that you are dealing with two separate banks. Talk to your banker if you have questions.