

BITS

FINANCIAL SERVICES
R O U N D T A B L E

March 25, 2011

Sheila C. Bair
Chairman
Federal Deposit Insurance Corporation
550 17th Street MB-6028, NW
Washington, DC 20429

John E. Bowman
Acting Director
Office of Thrift Supervision
1700 G Street, NW
Washington, DC 20552

Daniel K. Tarullo
Federal Reserve Board Governor
Federal Reserve System
20th Street and Constitution Avenue NW
Washington, DC 20551

John Walsh
Acting Comptroller of the Currency
Administrator of National Banks
Washington, DC 20219

Debbie Matz
Chairman
National Credit Union Administration
1775 Duke Street
Arlington, VA 22314

CC: The Honorable Timothy F. Geithner
Secretary, United States Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Dear Chairman Bair, Acting Director Bowman, Governor Tarullo, Acting Comptroller Walsh,
and Chairman Matz:

BITS, the technology policy division of The Financial Services Roundtable,¹ understands from public comments² that the FFIEC agencies are developing an update to the interagency guidance, “Authentication in an Internet Banking Environment.” As this process progresses, we urge you

¹ The Financial Services Roundtable represents 100 of the largest integrated financial services companies providing banking, insurance, and investment products and services to the American consumer. Member companies participate through the Chief Executive Officer and other senior executives nominated by the CEO. Roundtable member companies provide fuel for America's economic engine, accounting directly for \$74.6 trillion in managed assets, \$1.1 trillion in revenue, and 2.4 million jobs.

² “Regulators Revisit Authentication Advice to Thwart Online Banking Fraud”, *searchfinancialsecurity.com*, March 25, 2010; and “Regulators Revisit E-Banking Security Guidelines”, *krebsonsecurity.com*, March 10, 2010.

to encourage the agencies to preserve the strong consensus demonstrated in the original guidance.

Since its publication in 2005, the guidance has helped to promote good practices that reduce consumer exposure to account takeover fraud and protect financial institutions from fraud losses. Our members recognize that, as attacks and defenses evolve, it may be appropriate to update the guidance or to clarify how it applies in the current environment. Just as our member institutions are continuously refreshing their cyber-security and risk management practices, we appreciate the agencies' commitment to ensuring the continuing relevance of the guidance.

To maximize the effectiveness of this update and the efficiency of our members' responses, it is critical that the guidance remain consistent across the FFIEC landscape. Given that many of these institutions are supervised by two, three and often four of the FFIEC agencies, it would be confusing and potentially counterproductive to replace the consensus 2005 guidance with divergent updates. Issuing collective guidance under the FFIEC letterhead serves the specific authentication objective well and would underscore the agencies' unity in their overall mission.

Thank you for your consideration of our comments. If you have any questions or comments on this matter, please do not hesitate to contact me (202 589-2440, leigh@fsround.org).

Sincerely,

A handwritten signature in black ink, appearing to read "Leigh Williams". The signature is fluid and cursive, with a long, sweeping tail on the final letter.

Leigh Williams
BITS President
The Financial Services Roundtable