

9 Never disclose your card's PIN number to anyone, including people claiming to be from your bank or the police, and NEVER write it down or send it over the Internet.

10 If you have any doubts about giving your card details, find another method of payment.

Where can I get further information?

On Internet/PC banking – contact your bank

On on-line shopping – see the Office of Fair Trading's On-line Shopping Advice

(www.oft.gov.uk).



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Your Money and the Internet:

A guide to home banking and Internet shopping

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Information for personal and
business customers



BRITISH BANKERS' ASSOCIATION

Electronic commerce and new technologies mean that shopping and banking have become 24 hour activities that, with the right equipment, can be carried out from anywhere in the world.

This leaflet answers some of your questions about both Internet and PC (personal computer) banking and paying for goods over the Internet, covering functionality, security concerns, payment speed and advice for plastic card users.

INTERNET/PC BANKING

Why do customers choose PC or Internet banking rather than traditional banking methods?

Banking from your PC or over the Internet is:

- **Convenient** - you can conduct your banking affairs when you want to - any time, day or night. This allows you to pay bills, set up and amend standing orders and make transfers whenever it suits you.
- **Time-saving** – you don't need to visit your branch to carry out your banking business.
- **Easy and quick** –you can manage your money more easily, transfer excess funds into high-interest savings accounts or switch money from your savings account to avoid overdraft charges on your current account.
- **Reassuring** – with most systems you can



easily confirm whether the cheque you paid into your account has cleared.

- **Profitable** - many direct banking packages link into proprietary spreadsheets so that you can forecast your finances, plan ahead and manage money.

What is the difference between PC banking and Internet banking?

PC banking is conducted from your PC using a modem and special software supplied by your bank. Internet banking can be carried on anywhere using any PC with an Internet connection and your password. Some banks offer one or the other, others offer both.

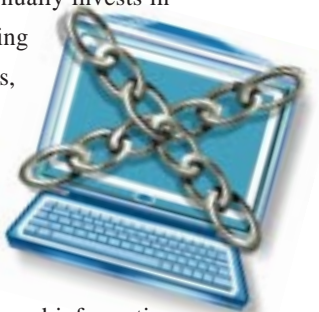
What can I do from my PC or over the Internet?

It depends on what your bank offers, but typically it would be some or all of the following:

- pay bills
- transfer money between accounts
- look at statements
- adjust standing orders
- order statements/cheque books etc
- apply for loans or credit cards
- open savings accounts
- arrange insurance and other additional services
- access information on accounts, services and interest rates.

How safe is my money and personal data?

The banking industry continually invests in developing and implementing enhanced security measures, including the variety of checks needed to establish that instructions are genuine before authorising payment.



Keeping customers' money and information secure has always been a central part of the banking industry's responsibility.

Provided you keep your password confidential and ensure others cannot observe your PC screen when you sign on, the safety of the system is comparable to the high standards of other direct service channels.

Are there any precautions I should take if I share a computer with others?

If you use your account on a computer which is shared with other people (whether at home or at the office) you could:

- protect your security by clearing your browser's cache when you exit.
- consider disabling your browser's ability to remember password and user names, if it has such an ability, in order to ensure an appropriate level of security.
- NEVER store your password on your computer's hard disk.
- consider setting up separate access accounts if your computer supports it.

Is PC/Internet banking free?

This depends on the bank. The majority of services are free; on some there is a small annual fee. Using the Internet carries the usual phone charges.

I understand how you can set up standing orders through PC or Internet banking, but a direct debit or recurring transaction has to be originated by the company I am paying. How can I do this through Internet banking?

You need to provide written or telephone instructions to the company you are paying to set up a direct debit or recurring transaction. Although you can't use the Internet to set up these transactions, you can review the arrangements you have made from your PC or Internet banking service.

How can I make a payment to someone through Internet/PC banking?

The screen typically prompts you to say which account you wish to credit, with how much on what date etc. So you need to know the account number and branch sort code of whoever you are paying – this information is often shown on the bill you may be responding to. Typically the screen will also show you your account balance so you know how much money you have available.

If I want to pay a bill through Internet banking, how quickly will the billing organisation receive the funds?

It will take three to five working days.

If I want to pay, for instance, a gas bill through Internet banking, how quickly will the utility company receive the funds?

It will take three to five working days.

How do I get started on Internet banking? Can I just access the bank's website and sign on or do I have to ask my bank first?

Methods vary according to the bank. Go to your bank's website: if they offer Internet and/or PC banking there will be clear instructions telling you how to sign on. The BBA's website (www.bba.org.uk) lists banks which offer PC/internet banking if you wish to shop around. The websites of most of these banks have demonstrations so you can see on your screen how this type of banking works in practice.

What will banking be like in the future?

There will be even more choice than there is now. The options are likely to be branch, telephone, PC, Internet, and mobile phone facilities. With people leading increasingly busy lives many value delivery channels which fit in with their lifestyles – so if you can sort out your banking needs at your PC at lunchtime, or make

a quick phone call from home when it suits you, you are likely to welcome this diversity. Some banks are currently trialing banking via interactive television and palm-top organisers.

What if a computer system crashes? Will my money be safe?

Yes, in just the same way as it is if you use any other form of banking. It is possible that if your computer crashes the transaction on which you were working may not be completed.

In this case it would be sensible to contact the bank by phone to check the status of the transaction.



Will the bank keep my personal details confidential? How can I be sure that I won't be flooded with junk e-mail (or 'spam')?

The Banking Code requires banks to treat all your personal information as private and confidential. It also states that unless you specifically request it, or give your express consent, banks will not pass your details to any company (including other companies in their group) for marketing purposes.

PAYING FOR GOODS ON THE INTERNET

Is shopping on the Internet safe?

As the Office of Fair Trading says *'Your shopping experience should be no more risky than buying by mail order or on the phone, but you need to be aware of possible dangers and should take certain precautions to make shopping on the Internet safe.'* This leaflet should help you to know what those precautions are.



How can I tell that the business I want to deal with on the Internet is genuine, by looking at their website?

The vast majority of businesses operating on the Internet are genuine. However, criminals can set up websites masquerading as businesses in order to obtain card details. You should keep a record of the business's street address and a non-mobile phone number, and cross-check the details in a telephone directory, to help verify it is a legitimate business.

A separate but vital recommendation is that you only give your card details to organisations which encrypt transaction data. You can tell whether an organisation uses encryption by clicking on the security icon on your browser – this will show whether it has an encryption certificate and what level of security is used. Also note that a certificate does not vouch for

the integrity of the company to which it is issued, it only ensures that the connection between you and that organisation is secure.

Is it safe to quote my plastic card number when I am ordering goods over the Internet?

Before giving your card details, it is important to check the security settings in your browser are switched on. This can tell you when a secure connection is established between you and the business, which is usually depicted by the open padlock icon on your screen changing to a locked position.



Some cardholders are concerned that criminals can intercept card details across the Internet, and although there is negligible evidence of this occurring, the card industry is continually developing methods to improve security. If you take precautions to ensure that the business you are dealing with uses encryption technology and is a legitimate business, Internet purchases are just as safe as using telephone or mail order.

Will plastic card transactions over the Internet be safer in the future?

Banks are currently working with major international card schemes, retailers and suppliers to develop systems which protect the sensitive data used in electronic commerce. This

means that in the near future Internet payments by a variety of electronic commerce technologies



will become commonplace as well as secure.

Chip cards will play a pivotal role in providing the base for secure transaction technology in the long term.

If I decide to pay over the Internet, is there anything I can do to maximise the security of my transactions?

Yes! Follow this ten point internet shopping checklist:

1 Make sure your browser is set to the highest level of security notification and monitoring – the safety options are not always activated by default when you install your computer.

2 Two of the most popular browsers are Microsoft Internet Explorer (use version 3.02 or higher) and Netscape Navigator (use version 3.03 or higher). If you have a different browser or use on-line services such as AOL (America On-Line) or CompuServe – contact your Internet Service Provider or software supplier to find out how to activate their security features.

3 Keep a record of the retailer's contact details including a street address and a non-mobile telephone number. Beware if

these details are not available on the website, and do not rely on email addresses alone.

4 Click on the security icon to see if the retailer has an encryption certificate, which should explain the type and extent of security and encryption it uses. Only use companies that have an encryption certificate and use secure transaction technology.

5 If you have any queries or concerns, telephone the company before giving your card details to reassure yourself that you are dealing with a legitimate business.

6 Print out your order and consider keeping copies of the retailer's terms and conditions and returns policy. Be aware that there may be possible additional charges such as postage and VAT. If you are purchasing goods from traders abroad, err on the side of caution, and remember that it may be difficult to seek redress if problems arise.

7 Check statements from your bank or card issuer carefully as soon as you receive them. Raise any discrepancies with the retailer concerned in the first instance. If you find any transaction on your statement that you are certain you did not make, contact your card issuer immediately.

8 Ensure you are fully aware of any payment commitments you are entering into, including whether you are instructing a single payment or a series of recurring payments.