



Press Release

For immediate release

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Financial Regulators Release Updated Retail Payment Systems Booklet

The Federal Financial Institutions Examination Council (FFIEC)¹ today issued updated guidance for examiners, financial institutions, and technology service providers on the risks associated with retail payment systems. This Retail Payment Systems Booklet, which is part of the FFIEC Information Technology Examination Handbook series, is an update to the 2004 version that provided guidance on the risks and risk-management practices applicable to financial institutions' retail payment systems activities, including checks, electronic payments related to credit cards and debit cards, and the automated clearing house (ACH). Appendices to this booklet include examination procedures and references to applicable laws, regulations, and guidance.

The revised booklet addresses changes in technology and provides guidance on the Check Clearing for the 21st Century Act of 2004. This booklet also provides expanded guidance on merchant card processing and ACH activities. It provides a more in-depth discussion of the increased risks posed by these activities and some of the risk management tools that financial institutions can use to mitigate them. There is also a brief discussion on emerging technologies in retail payment systems. The booklet includes information on remotely created checks and electronically created payment orders, both of which are being used more frequently as payment devices. Lastly, the booklet addresses remote deposit capture and provides examination procedures for use in conjunction with the FFIEC guidance, *Risk Management of Remote Deposit Capture* (January 14, 2009).

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¹ The Federal Financial Institutions Examination Council was established by the Congress in 1979 to prescribe uniform principles, standards, and report forms for the federal examination of financial institutions, to make recommendations to promote uniformity in the supervision of financial institutions, and to conduct schools for examiners. The Council has six voting members: the Comptroller of the Currency, the Chairman of the Board of Directors of the Federal Deposit Insurance Corporation, a Governor of the Board of Governors of the Federal Reserve System, the Director of the Office of Thrift Supervision, the Chairman of the National Credit Union Administration, and the Chairman of the State Liaison Committee. Visit the Council's website for press releases and information on the mission and work of the Council at <http://www.ffiec.gov>.

The FFIEC IT Examination Handbook is produced by the Information Technology Subcommittee of the FFIEC's Task Force on Supervision. The Information Technology Subcommittee promotes uniform and effective information technology-related policies and supervisory programs for financial institutions and their service providers. An electronic version of the Retail Payment Systems Booklet, as well as the entire FFIEC IT Examination Handbook Series, is available at www.ffiec.gov/guides.htm.

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Attachment

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