

INTERPRETIVE LETTER 90-3 (JANUARY 30, 1990)

Transfer of funds using personal computer home banking service is not branch banking.

This is in response to your letter of * regarding the offering of a personal computer home banking service to customers of *. You have requested the confirmation of this Agency that this service is not in violation of the Illinois Banking Act's prohibition against branch banking. As I understand the service, data entered by a bank customer will be transmitted by telephone line from the customer's home computer terminal to a computer terminal at *, which terminal will then transmit the data to the appropriate bank for processing. This Agency is in agreement with your conclusion that the transfer of funds using the home banking service is analogous to the use of a telephone to transfer funds.