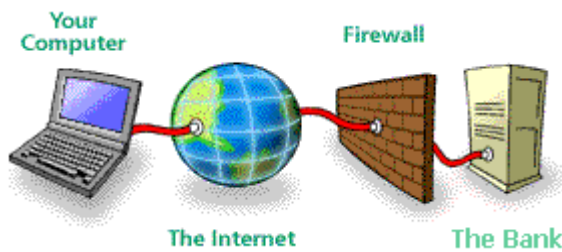


Internet banking security



Subject:
Name:
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Teacher:



It is unwise to use personal home computers for internet banking

Online banking is used for making transactions & payments over the Internet through a bank or credit union. This allows customers to do their banking outside of bank hours and from anywhere in the world, as long as there is internet access. Most major banks provide an internet banking service and there are also some internet only banking companies who offer all their services online and do not have high street branches. In most cases a web browser is utilized and any normal internet connection is suitable. No special software or hardware is usually needed though many exist.

With all the major developments in internet security such as the establishment of encryption, secure passwords and tokens, I firmly believe that it is wise to conduct business and personal banking activities though the internet, infact I would recommend it as you are more likely to be mugged in the street then to loose your money though internet hackers.

Protection through single password, as is the case in most secure Internet shopping sites, including eBay, is not considered secure enough for online banking in some countries. Online banking sites are very secure which means that the traffic of all information, including the password, is encrypted, making it extremely hard for a person to get the information after it is sent. However, as amazing as it sounds, encryption by its self does not completely stop hackers from gaining access to vulnerable home computers and stealing the password as it is typed in. To stop this many banks around the world have stopped allowing people to type the password and instead are making them use the mouse.

Many online banking services also include a vital second layer of security. This layer can sometimes vary between banks, but a common method is the use of transaction numbers, which are for one use only. Another tactic is the use of two passwords, only random parts of which are entered as the user starts banking. This is however slightly less secure than the transaction numbers and when it comes to money the more security the better. A third option, used in Australia, provides the user with security token devices capable of generating single use passwords which are completely unique to the customer's token, this is called two-factor authentication. There are usually 6 numbers on the device and can be something like 02X6A6 or 7865VE.

As time goes on the number of online banks that operate solely online continues to vastly increase, because of this the cost of running the bank is lower compared to traditional banks and so they often offer higher interest rates.

In conclusion I believe that internet banking or online banking as it is commonly called is extremely safe and can be used with confidence as long as you follow the security measures provided. If you use a token you should always remember to lock it in your to prevent someone stealing it and breaking into your account.



▲ token with generated banking numbers

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