

Internet banking and legal issues related to its use

Kalliopi Mitka,

PhD, Attorney at Law

Thessaloniki bar association, Greece

Banking over the Internet has attracted increasing attention from bankers and other financial services, industry participants, the business press, regulators, and law makers. This method of banking allows clients to access their financial account through computers and mobile devices. Although this is extremely convenient, electronic banking carries with it a handful of risks for its users: banks and clients-consumers.

There are various risks which could be classified in the following categories: a) operational risk (concerning data privacy and confidentiality, unauthorized access, b) security risk which arises on account of unauthorized access to a bank's critical information store, c) Reputational risk (for the bank) when hyperlinks from bank's websites often mislead the customers to believe that the bank is sponsoring products or business unrelated to banking, d) risk of privacy infringement (as manifested by the growing use of behavioral/personalized advertising).

The interest of this paper is focused on the analysis of the most frequently confronted risks and on the legal aspects of the measures that should be taken by the banking community in order for them to provide secure and fair banking services as well as a high level of protection of privacy.