

Farm Credit Administration

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INFORMATIONAL MEMORANDUM



August 2, 2004

To: The Chief Executive Officer
All Farm Credit System Institutions

From: Roland E. Smith, Director
Office of Examination

Subject: Guidance on Instant Messaging

Attached is a copy of "Guidance on Instant Messaging" recently issued by the Federal Deposit Insurance Corporation. This guidance identifies risks associated with public Internet instant messaging (IM) and how they can be mitigated through an effective management program. Farm Credit System institutions will find this guidance useful in mitigating risks associated with IM.

The use of public IM may expose financial institutions to security, privacy, and legal liability risks because of the ability to download copyrighted files as well as creating an environment in which viruses and worms can spread quickly. There are new corporate enterprise IM products for use that authenticate, encrypt, audit, log and monitor IM communication. These products will help institutions use IM technology in a more secure environment and assist in compliance with applicable laws and regulations.

If you have any questions regarding this memorandum please call Eric Rodney, Special Examination and Supervision Division, Office of Examination, at (703) 883-4451, or write to him on the Internet at e-mail address rodneye@fca.gov.

Attachment