

Treasury Committee

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Antonio Simoes
CEO
HSBC Bank plc
8 Canada Square
London E14 5HQ

20 October 2015

Dear Antonio,

Thank you for your email of 29 September about the IT failure that took place at HSBC on 28 August.

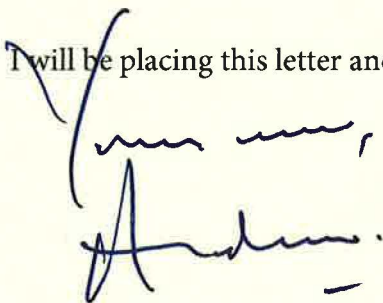
However, two of my questions remain unanswered:

1. Whether HSBC had considered alternative ways in which customers could gain access to their money in the event of a future IT failure that prevented such access; and
2. Which IT failure risks were on HSBC's corporate risk register and what ratings had been given to these risks. You say that failure of IT infrastructure is on the risk register - but omit to say what probability you have attached to the risk. You also omit to say what other IT risks you have recognised, and how HSBC is rated for probability and impact.

In response to my questions about possible limits in other bank IT systems that could lead to a similar failure, you say that HSBC is reviewing "all system limits across all schemes" and that the review is "expected to finish by the end of 2015."

This suggests that HSBC does not maintain a database or register that records all such limits and where they are checked and enforced, or that if you do have such a register you do not trust it. Were a reliable register in place it would provide the necessary assurance and preclude the need for a review.

I will be placing this letter and in due course, your reply, in the public domain.



**RT HON ANDREW TYRIE MP
CHAIRMAN OF THE TREASURY COMMITTEE**