

8 September 2003

ARC RISK MANAGEMENT GROUP PLC
“ARC” or “the Company”
(AIM)

ARC SIGNS NEW AGREEMENT WITH HSBC

The Board of ARC Risk Management Group Plc is pleased to announce the signing of an agency agreement with HSBC Bank plc, for the distribution of ARC's 'Red²⁴' and 'Red²⁴ Alert' security products to its high asset value general insurance clients.

Under the terms of the agreement, HSBC, who currently provides the 'Red²⁴' cover within its 'Platinum Plus' home insurance policies, will enhance its policies to include the 'Red²⁴ Alert' cover.

Rob Whiting, ARC's Chief Executive, commented: *“The Board is delighted that HSBC has included the Red²⁴ products in its 'Platinum Plus' policies. This agreement endorses our growing position and credibility in the security services market and highlights the growing importance of security-based products in a currently unstable political environment.”*

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Notes to Editors

ARC Risk Management Group Plc:

ARC Risk Management Group Plc is a British company, listed on the Alternative Investment Market (AIM) of the London Stock Exchange, providing security risk management services on a worldwide basis. ARC's range of products are targeted at both individuals and companies and offer banks, insurance companies, multi-national companies and government agencies a highly innovative and proven solution to the security related issues they and their customers are currently facing.

The trademarked Red24™ service is targeted at individuals offering clients the option of telephony or web-based communication with security experts who can provide them with guidance and advice on worldwide security risks, and an insured response for those with the enhanced Red24 Alert service.

ARC has a team of intelligence analysts complimented by security professionals who provide, support and maintain the information 24 hours a day, 365 days a year. The service currently covers over 125 countries.

ARC is the exclusively retained crisis management consultant to QBE International Insurance Limited for the provision of 24 hour world-wide pre-incident and response services covering Product contamination and recall and Kidnap & Ransom. It complements this with specialist work covering a broad spectrum of special risks such as sabotage and terrorism, crisis management, security audits and other related consultancy services to a wide range of clients.

ARC provides formal training for security management personnel worldwide. The training courses (provided either "In-House" or via "Open Courses" in the UK) cover a broad range of spectrum such as bomb threats, business travel, IT, fraud, crisis management, kidnap and ransom, investigations, strategic security management and asset protections. It is now acknowledged as the foremost UK based international security management training operation.

<http://www.arcrisk.com>

<http://www.red24.info>

HSBC Bank plc

HSBC Bank plc is a wholly-owned subsidiary of HSBC Holdings plc. With over 9,500 offices in 79 countries and territories, and assets of US\$983 billion at 30 June 2003, the HSBC Group is one of the world's largest banking and financial services organisations.