

Researchers discover online banking security problem

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Two researchers working within Cardiff University's School of Computer Science, Professor Antonia J Jones and Joseph R Rabaiotti, together with a third independent researcher Stuart P Goring, have today released details of a problem with HSBC's online banking system. The bank was informed of the issue prior to publication.

The researchers demonstrated (without in any way hacking, or even entering, the system) that the problem they observed, together with the illegal use of a keylogger (a device which records keystrokes and can later play them back), would in principle allow an attacker to gather all

the necessary information required to enter any customer account.

HSBC and Cardiff University are now working together to address a number of issues raised by this research.

No illegal access took place during this research. It is generally assumed that to be in a position to prove that a gatekeeper system has a weakness one must have broken the law. However, the researchers were able to demonstrate that this is not the case. In this case they showed that by perfectly proper use of the system (a legal log-in which fails due to a typing error) and by intelligent observation one can logically prove a weakness without even passing the gatekeeper or entering the system. While they were able to do this because of a rather trivial problem, an interesting point of principle has been established and a significant loophole identified.

Professor Jones said: "What is truly amazing about this particular problem is that it apparently has not been illegally exploited for at least two years, during which time all user accounts were in principle open to the access procedure we describe.

"This fact alone raises some serious questions about the wisdom of having any sensitive system online and about online banking in general."

Source: Cardiff University

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