

# Subex Telecom Fraud Alerts

October 2009

- **Skuku**

Skuku is an emerging international bypass product, using international VOIP routing to a sim-box located in the home network. It is available directly to individual subscribers for cheap routing of their roaming calls. See [www.skuku.com](http://www.skuku.com) for more information. Skuku is causing problems for mobile operators such as:

1. Eroding roaming revenues;
2. FMS velocity rules throwing up false-positive alarms;
3. Security information being exposed;
4. Content of SMS and voice being carried unencrypted;
5. impacting the integrity of Lawful Interception based on IMEI.

The issues are compounded by the fact that adoption of Skuku is subscriber-initiated, thus questioning the perceived illegality in many regions of traditional SIM-box and bypass attacks, and often rendering preventative 'contractual terms and conditions of use' ineffective.

*\* Source- GSMA 2009*

- **SIM Cloning**

It's more than 10 years since the original (example) authentication algorithm used in GSM mobile networks (COMP 128-1) was compromised. In spite of this, SIM-cloning is again on the rise and becoming a major issues in some regions. Customers experiencing any form of SIM cloning are therefore strongly urged to review their network authentication capabilities. In particular, anyone still using the COMP 128-1 algorithm for authentication are strongly advised to implement measures to begin phasing out its use.

- **A list of web sites that are run by the middlemen for IRSF**

As mentioned in the last fraud alert, incidents of IRSF are growing steadily. Some of the websites used by fraudsters for IRSF are given below. These are examples of sites where revenue share numbers may be obtained..

<http://www.premiumtlc.com>

<http://promotion-inc.com>

<http://www.keyzone-telemedia.com/page.php?pid=271>

<http://www.mixtis.com>

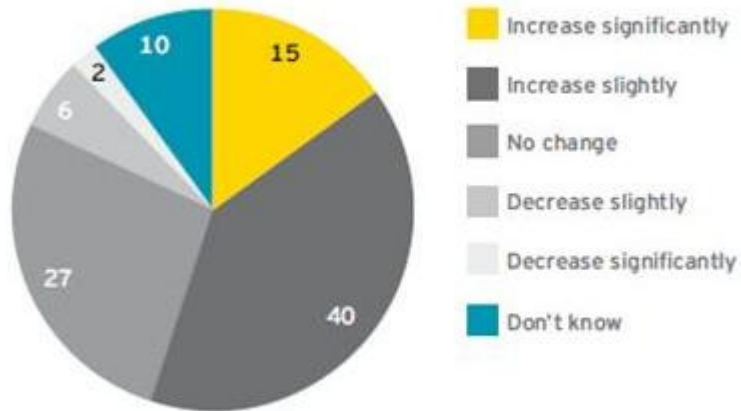
*\* Source- CFCA 2009*

- **Internal Fraud**

Internal fraud has been a significant problem for many years, but it is still expected to grow in the coming years. A European survey conducted by E& Y in 2009 which covers 22 countries shows that

- 55% expect corporate fraud to increase over the next few years.

### Corporate fraud is expected to increase



Q Do you expect corporate fraud to increase or decrease in the next few years?  
Base: all respondents (2,246)

- 36% believe that normal policies and procedures are likely to be overlooked as staff redundancies are made.
- 29% believe management to be untrustworthy.
- 42% believe that the senior ranks in an organization pose the biggest threat of fraud.

\* Source: Ernst & Young 2009