

Subex Telecom Fraud Alerts

November 2010

Fraud Reports and Trends

IRSF- The latest twist on IRSF (International Revenue Share Fraud) appears to be using Wangiri (lots of legitimate callers, each with low volume of calls to stay below rules thresholds). IRSF fraudsters also now appear to be targeting operators who send HURs rather than NRTRDE. Reported IRSF losses have also increased from €3.6m to €5.6m.

SIM Cloning and Roaming Fraud – Operators are suffering huge losses due to SIM cards using compromised A3/A8 algorithm COMP128-1 for premium rate fraud and IRSF while roaming. Operators are advised to use a secure A3/A8 algorithm on its SIM cards.

**Source: GSMA FF, Sep'10*

Interoperator Settlement of suspected fraud revenues

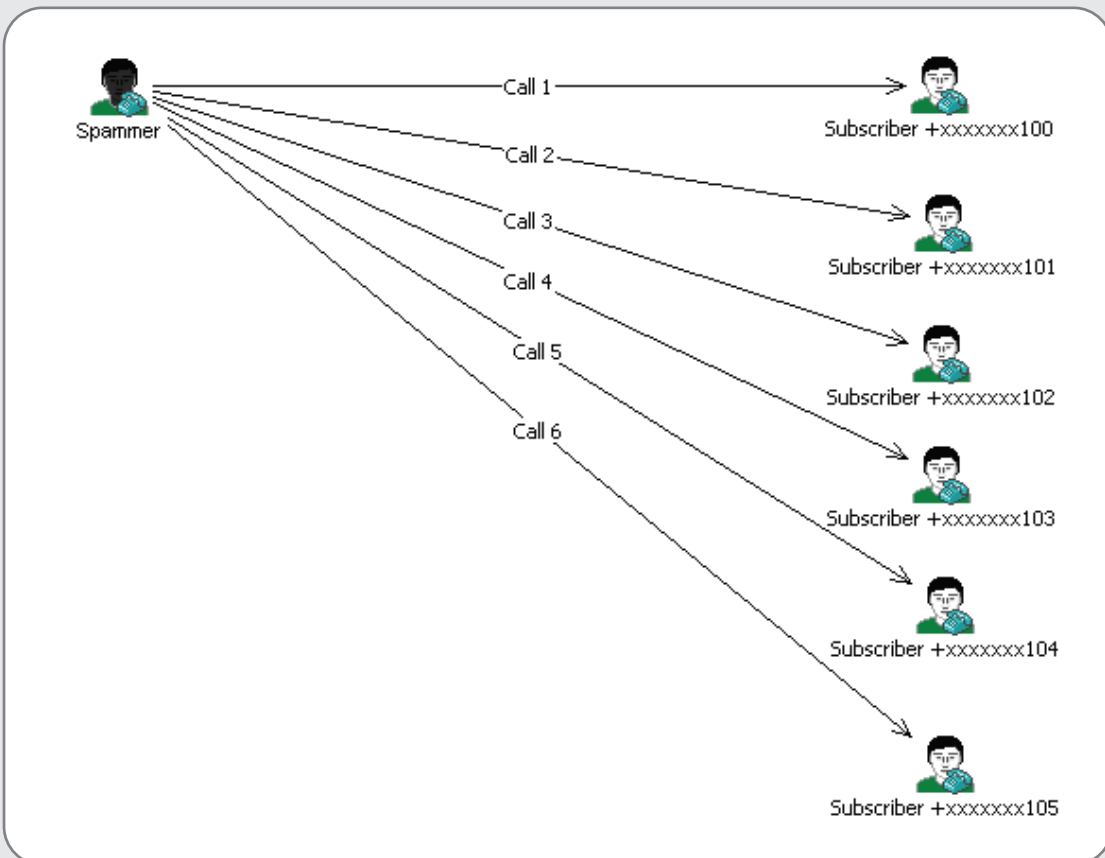
After taking legal advice, a major telecom player in UK has stated that it will no longer settle charges with other carriers for suspected fraudulent usage occurring on its network. This is in accordance with the Proceeds of Crime Act in the UK, but may also be relevant in other states/countries where similar regulation is in place.

**Source: GSMA FF, Sep'10*

Spamming

Spamming can be directed either as a SMS Service / Voice Service in the Mobile network. Spamming can be especially irritating to customers not only for the inconvenience but also because of the fee they may be charged for the incoming call when they are roaming or for the per text message received in some markets. Spammers use spamming for various purposes some of them are lottery scams, Advertisements, Promotions, Surveys. They tend to have high count of SMS / Calls within a particular time, normally prepaid SIMs are used for spam operations as they can be obtained in bulk with minimal documentation.

A recently discovered spam fraud, is explained in the below diagram. Spammers tend to follow the called numbers in a sequence within a short interval of time.



Following measures can be used to identify spammers:

- Number of calls to distinct parties
- Sequential Dialing
- Matching against Hotlist IMEI
- Using Link Analysis for finding related fraudsters

For all previous fraud alerts click on the following link: <http://www.subexworld.com/fraud-alerts.html>