

Telecom Fraud Alerts

Fraud Alerts April - June 2014

Internal Fraud ring busted in Senegal

Four employees working for a mobile operator and three resellers located in the cities of Touba, M'backe and Thiaroye have been arrested by Senegal's national police force on fraud charges.

It is suspected that the employees set up a system, which allowed their accomplices to transfer credit to customers without registering the sale. According to the Senegal's national police force, the network has been in place for a long time and has defrauded hundreds of millions of CFA Francs (XOF) from the operator.

**Source: IT News Africa - <http://www.itnewsafrika.com/>*

PBX hacking cost over £6m to small & medium sized organizations in UK

The National Fraud Intelligence Bureau (NFIB) is warning UK based small to medium-sized businesses, schools, charities and medical/dental practices of PBX fraud - where fraudsters hack into phone lines and make premium rate calls costing thousands.

The victims are often small to medium-sized businesses, but the NFIB has also noticed that a number of schools, charities and medical/dental practices being targeted where fraudsters are taking advantage of flaws in security systems.

Since the end of June 2013 there have been nearly 500 Action Fraud reports relating to this - costing victims over £6m.

This type of fraud is most likely to occur when organisations are most vulnerable i.e. during times when businesses are closed but their telephone systems are NOT, for example in the early hours of the morning or over a weekend or public holiday.

**Source: ActionFraud - <http://www.actionfraud.police.uk/>*

Bulawayo hacker arrested for creating own mobile network and defrauding operator

A hacker from Bulawayo set up a fully-equipped mobile phone "call centre" with 164 sim-cards in his house where he would make international calls free of charge. Police recovered 164 voice and 3G lines from various operators during the raid - all operational and fitted to an IP-PBX system.

The hacker bypassed operators' central system as he re-routed his equipment to go via self-assembled sim-box equipment and would make international calls through the mobile operator's network. The system that he set up ensured that his mobile numbers were hidden from mobile operators. The total loss to operators is still not established.

**Source: TechnoMag - <http://www.technomag.co.zw/>*

Telecom Fraud costs Cuba over 10 mln USD annually

Cuba lost over 10 million U.S. dollars in revenue a year due to fraud in telecommunications services, the National Information Agency (AIN) reported.

It is known that a considerable number of users sought to avoid legally established traffic channels for international calls by using new technological development that hinders their traceability. The most common crimes include theft of lines belonging to legitimate users, subscription fraud and and creation of international systems that offer an adjacent service with lower fees than those established by legal telecom service providers.

For every minute of call made via these alternate routes, Cuba lost 0.60 dollars in revenue, and calls originating from these sites were then distributed through the National Communications Network as a local or long-distance call, causing more substantial losses.

The island ranks among the 17 countries most affected by such violations and operators are working hard to combat such frauds.

**Source: TelecomPaper - <http://www.telecompaper.com/>*

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