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A guide to telecoms fraud

Telecoms fraud costs the industry billions of pounds a year; it's on the increase and reported to be bigger than credit card fraud as a source of illegal income. Proceeds are frequently used by organised crime and terrorism networks.

There are two main categories: -

Dial through fraud

Calls placed through equipment by PBX hacking – it's been proven that VoIP PBXs are found and scanned within hours of connecting. Usually, a PBX and/or connected equipment like handsets have been left with factory setting passwords, or secured with a weak password.

Calls placed with fraudulently obtained SIP credentials – username and password have been obtained and calls placed using these details. Our network will accept these calls as the credentials are correct. Often, they will originate from an IP totally unconnected with the customer. (see IP Authentication below).

Credit card fraud

System access or equipment has been obtained using fraudulent credit card details.

It is believed that these methods are used to fraudulently dial numbers that are revenue generating in some way, this is referred to as International Revenue Share Fraud or IRSF.

All types of fraud are more prevalent in the evenings and weekends, and over Public Holidays.

Suggestions to protect your network

You may want to consider all or any of the following steps: -

1. Calling credit and/or spending limits

2. Call barring – especially high value international destinations and premium rate
3. Regular review and analysis of call patterns
4. Blacklisting numbers and/or destinations
5. Removing all default passwords and deploying PBX and/or equipment

How Magrathea can help you

Ultimately, the security of your network is your responsibility, but there are ways we can assist you with this: -

1. Monitoring our network – we monitor traffic through our network constantly and will alert you by e-mail if we detect any suspicious call patterns.
2. Digest Authentication - this can be used as a more secure alternative to registration name and password only, as it also has an IP restriction.
3. IP Authentication – this can be used as a more secure alternative to using a registration name and password. Magrathea will only accept calls from IPs on an authorised list supplied you.
4. Limited tariffs – we can move your account to a limited tariff, these tariffs will only allow calls to basic UK destinations and international up to 3p or 15p per minute based on our current wholesale rates.

ReportFraud

Unfortunately, telecoms fraud is under reported and there are three main reasons: -

1. Too time consuming to report
2. No permission from affected parties to report
3. The potential damage to a company's reputation

However, if telecoms fraud is not accurately reported, the true scale of the problem will never be known. By reporting telecoms fraud, more resources can be provided for those responsible for investigating these crimes and this can lead to more convictions.

ReportFraud – run by the City of London Police – have a website <https://www.reportfraud.police.uk/> allows you to report the fraud as a business, quickly and confidentially.