

## TOLL FRAUD POLICY

This Toll Fraud policy defines toll fraud and specifies actions the Customer and Farmers Mutual Telephone Company (FMTC) will take to address such fraud.

### Toll Fraud

Toll Fraud is the theft of long distance service. It typically occurs when a party gains remote access to the Customer's PBX or key system located at the Customer's premise. Toll fraud may also occur through unauthorized use of the Customer's calling cards.

### Compliance

Customers should immediately notify FMTC of suspected Toll Fraud by calling the FMTC Customer Service. Be prepared to identify the means by which the fraud occurred, if known, and any modifications made to Customer Premise Equipment (CPE) in an attempt to stop the Toll Fraud. Upon notice, FMTC will investigate any suspected Toll Fraud, and may block, suspend, or otherwise limit the ability of the Service to prevent continued Toll Fraud. Customer agrees to cooperate with FMTC in the investigation, including the reporting of such incidents to the appropriate Field Office of the Federal Bureau of Investigation. Customer agrees to provide FMTC with such information and documentation as FMTC may request, including any reports, testimony or affidavits submitted to law enforcement.

### Liability

FMTC is dedicated to leading the industry in providing quality, user-friendly network services and CPE. As part of that commitment, FMTC respects the right of its customers to choose the FMTC services and equipment that meet particular Customer needs, so long as the use is lawful and does not violate FMTC's policies and procedures. The freedom of the Customer to choose among FMTC's diverse service applications and the Customer's exclusive control of CPE means that the Customer, and not FMTC, is capable of addressing and preventing Toll Fraud. IT IS THE EXCLUSIVE RESPONSIBILITY OF THE CUSTOMER TO PREVENT THE OCCURRENCE OF FRAUD, and Customer is responsible for payment of any charges incurred due to fraud (including Toll Fraud), abuse, or misuse of the Services, whether known or unknown to Customer, and whether or not FMTC takes any actions to stop or block Toll Fraud.

## What is toll fraud?

Toll fraud occurs when unauthorized persons gain access remotely to a company's telephone system to make long distance toll calls. In most serious cases, hackers are able to capture long distance lines and then "resell" long distance service. Domestic and international toll fraud is estimated to cost U.S. companies \$1.2 billion a year.

## How do I protect my business from toll fraud?

Preventing toll fraud is your responsibility, therefore, make it a priority to protect your business.

- Contact your PBX/phone system vendor to ensure you have reduced your risk of toll fraud.
- Frequently change passwords and authorization codes used for remote access, voice messaging, administrative, and other purposes.
- Use common toll fraud protection features with your long distance calling, such as secure account codes, authorization codes, and call blocking options. Ask your FMTC Customer Service Representative for details.
- Most toll fraud occurs during vacation and year-end holiday seasons. Be sure to take these preventative steps during this time of the year.
- Thoroughly review your telephone bill regularly. In some cases, toll fraud can go on for months before someone looks at the detail of the phone bill and notices there are unauthorized charges.
- To learn more about protecting your business from toll fraud, visit [www.fcc.gov/guides/voice-mail-fraud](http://www.fcc.gov/guides/voice-mail-fraud)

## **Customer Best Practices to Help Decrease the Risk of Toll Fraud with VoIP Services**

FMTC addresses the liability for toll fraud charges in our Master Service Agreement (MSA). The MSA clearly states that the customer is responsible for payment of any charges incurred due to fraud, and it is the customer's responsibility to take measures to help ensure against toll fraud. Here are some things you can do to help decrease your risk:

- If you are providing your own VoIP phones, change each phone's default passcodes to unique passcodes per phone that are not easily compromised (for example, do not use the phone's telephone number or consecutive numbers).
- Disable the outbound calling feature in the phone system's voicemail.
- If you use the outbound voicemail calling feature, change your passcodes on a regular basis (at least every 30-Days) using a passcode that is not easily compromised (for example, do not use the phone's telephone number or consecutive numbers).
- Blocking international calling can help to reduce your risk, as toll fraud calls are often made to international destinations. If you must make International calls, be sure to use verified account/authorization codes.

## INTERNATIONAL CALLING OPTIONS

In an effort to reduce the frequency of international toll fraud, FMTC has adopted a standard practice to block outbound calling to a select group of countries associated with high incidences of international toll fraud.

**International Calling – Standard** - As a feature of all FMTC Voice Services, the ‘International Calling – Standard’ setting will automatically prevent outbound calling to the following countries:

### Blocked Countries

Azerbaijan	Latvia	Senegal
Congo	Libya	Sierra Leone
Cuba	Macedonia – Federal Republic	Slovenia
Djibouti	Monaco	Somalia
Eritrea	North Korea	Tuvalu
Guinea	Principe and Sao Tome	Zimbabwe
Ivory Coast		

FMTC also proactively blocks calls to individual international phone numbers known to be associated with fraudulent behavior. The list of blocked individual numbers is updated frequently and is subject to change at any time. Calls to these locations will be blocked no matter which of the international calling options are chosen.

### Additional Options

**International Calling Blocked** - Customers may choose to block ALL outbound international calling. Customers can contact their local FMTC customer service office and ask for the ‘International Calling Blocked’ feature to be added to their account. If customers don’t do any international calling, this option is recommended in order to ensure no unauthorized international calls are made from their location.

**International Calling – Unrestricted** – In the event that your company finds it necessary to call countries on FMTC’s standard blocked international list, customers may opt to choose Unrestricted international calling. The ‘International Calling – Unrestricted’ feature allows calling to the blocked countries listed above.

If customers choose to permit international long distance calling from your telephone system, please remember that **IT IS THE CUSTOMER'S OBLIGATION TO TAKE ALL MEASURES NECESSARY TO ENSURE AGAINST THE OCCURRENCE OF TOLL FRAUD.** The Customer is responsible for payment of any charges incurred due to toll fraud, whether known or unknown, and whether or not FMTC takes any actions to stop or block toll fraud. Please note that while FMTC reserves the right to block International long distance calling for certain countries, FMTC has no obligation to block international calling or take any other actions. FMTC’s election to

block or not block calling on any selected routes shall not impose any liability on FMTC or absolve the Customer of any liability for toll fraud caused for any reason.