

PRESS RELEASE
For Immediate Release

PREPAID SIM CARDS FALSE REGISTRATION ON RISE
CFM DETERMINED TO PROTECT CONSUMERS' RIGHTS

KUALA LUMPUR, 19 APRIL 2016 – The Communications and Multimedia Consumer Forum of Malaysia (CFM) remains resolute in protecting consumers' rights on communications and multimedia issues such as the false registration of prepaid SIM cards. In 2015, CFM received 89 such complaints, an alarming increase of 187.1% from 31 complaints recorded in 2014.

FRAUD REGISTRATION ON PREPAID SIM CARDS							
YEAR	2011	2012	2013	2014	2015	2016 - JAN	2016 - FEB
TOTAL	27	78	110	31	89	4	10

TOTAL COMPLAINTS RECEIVED BY CFM ON PREPAID SIM CARD FALSE REGISTRATION

In this regard, CFM urges all consumers in Malaysia to take necessary steps to prevent their personal information such as copy of identity cards and personal details from being shared easily by unauthorized parties to register for a new prepaid account without their consent.

Consumers are asked to be more careful when giving out personal information such as identification details for any transaction. Based on the Guidelines on Registration of End – Users of Prepaid Public Cellular Services by the MCMC, there is no need for service providers or their sales representatives to make any copies of the subscribers' MyKad during registration as the service providers' obligation is only to verify the identification information provided by the consumers.

Consumers are also advised to read the terms and conditions including the fine print before signing any documentation and to request a copy of the signed documents for future reference.

“Over the past decade, prepaid card services have provided an affordable platform to connect with your friends and family through voice calls and the short message service (SMS). The availability of the prepaid cards is so widespread that they are sold in petrol

stations, newsstands, malls, convenience stores and more across Malaysia. However, as the demand of mobile prepaid services increases, some agents and dealers are using consumers personal information to register fake accounts for sale to their other customers, especially illegal foreigners,” said Megat Ishak Maamunor Rashid, Chairman of CFM.

He added that CFM’s Complaints and Compliance Management Department is working closely with the various Services Providers to ensure all cases that were reported through the CFM Complaints Portal, www.complaint.cfm.org.my and email to aduan@cfm.org.my will be solved in a fair and timely manner as per mandated in the General Consumer Code of Practice for the Communications and Multimedia Industry Malaysia (GCC).

However, service providers must protect each of their customers’ personal information to avoid misuse and tampering. Under the GCC Part 2: Rules of the Code under Provision of Information, as stipulated under Clause 2.3.5, Service Providers creating, maintaining, using or disseminating individually identifiable information should take reasonable steps to assure that the data is accurate, complete and timely for the purposes for which they are to be used.

If mishandling occurs on consumer information, service providers must comply with the guidelines as stated in the GCC in Part 2, Clause 2.3.5 which it is also stated that Service Providers should establish appropriate processes or mechanisms so that inaccuracies in material individually identifiable information, such as account or contact information may be corrected. These processes and mechanisms should be simple and easy to use, and provide assurance that inaccuracies have been corrected.

In 2015, the Malaysian Communications and Multimedia Commission (MCMC) has issued a total of 50 compounds amounting to RM2.29 million to Telecommunications Service Providers for the breaches related to false registration of prepaid SIM cards.

Hence, the telecommunications companies need to take appropriate action to affirm that they will take the necessary action to verify the information provided by potential subscribers

against the information contained in their MyKad or other official identification documents, such as passports. The processes put in place are to avoid the misuse of end user information which is a breach of telecommunications companies' license conditions as prescribed under section 242 of the Communications and Multimedia Act 1998.

CFM TIP : STEPS TO AVOID FALSE REGISTRATION OF PREPAID SIM CARDS

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| 1. | Make sure your personal information are collected by legitimate service reseller and licensed stores |
| 2. | Take the name and address of the reseller services, as well as the date and time of the sim cards being purchased and registered |
| 3. | Do not purchase a SIM prepaid card without any proper registration |

CFM CONSUMER TIPS AFTER DISCOVER PERSONAL INFORMATION BEING MISUSED BY UNAUTHORIZED PARTY:

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| 1. | Lodge a police report |
| 2. | Walk in to the nearest Service Provider to file a complaint on identity theft |
| 3. | Get a copy of the complaint and reference number together with enquire the complaint resolution period |
| 4. | If there are any unresolved complaints, lodge your complaints at CFM! |

EXAMPLES OF FALSE REGISTRATION PREPAID SIM CARD USAGE

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| 1. | The phone number of the registered names are used for criminal activities (kidnapping, extortion, bank fraud) |
| 2. | Consumer information are sold to service sales |
| 3. | The registered names are used for activation of others people phone number (illegal immigrants, criminals) |

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Note to Editor

General Consumer Code of Practice for the Communications and Multimedia Industry Malaysia (GCC) is a code of practice for all Communications and Multimedia Service Providers in Malaysia with the objective of providing benchmarks and best practices to ensure fair and efficient services are delivered to the consumers.

About CFM

The Communications and Multimedia Consumer Forum of Malaysia (CFM) was established and designated by the Malaysian Communications and Multimedia Commission (MCMC) in 2001. It is a platform for the industry and the consumers/public to make coherent and constructive contributions to service improvements and policy development.

CFM is tasked with, amongst others, to promote the growth of Malaysia's communications and multimedia industry and the protection of consumer interests by fostering the highest standards of business ethics and behaviour through industry self-governance. CFM is also a channel for complaints redress on Communications and Multimedia services.

If you have unresolved complaints about your Communications and Multimedia services, please lodge your complaint by visiting CFM's complaint portal, www.complaint.cfm.org.my or call our toll-free number 1-800-18-2222. For more information, visit CFM's website at www.cfm.my or write in to complaint@cfm.org.my.

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