



Self-Reliance Institute Newsletter

March 2015 Volume 3, Issue 03

Secrets Behind the Optimal Credit Card Balance

Today, I'd like to introduce you to an old friend who I first met in July of 1998 when I was testifying before the U.S. House of Representatives about how underground information brokers, identity thieves, and unscrupulous private investigators use social engineering – impersonation – to steal financial information and money from victims' bank accounts.

His name is Bob Sullivan.

Bob is an investigative reporter and best-selling author with a long career focusing on cybercrime and consumer issues. For many years, Bob authored the very popular consumer/tech blog *The Red Tape Chronicles*.

I'm proud to say that Bob featured me in his very first book, *Your Evil Twin: Behind the Identity Theft Epidemic*. Lest you think otherwise, I guess I should quickly add that I was included in the book as one of the good guys battling identity theft.

Recently, after many years working with NBC, Bob went out on his own

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Good News on Handguns: Transfer Ban Is Unconstitutional

Friends, I shared this important and good news with another group of concerned citizens the other day and I got such an overwhelming number of thank you notes from folks who hadn't heard about this that I immediately realized I needed to share it with you.

And, if you believe in the U.S. Constitution and specifically the Second Amendment, I think you'll agree that this is good news. Unfortunately, I doubt you'd ever hear about this from the mainstream media, so I want to share this. Fortu-

nately, it was covered by the good folks over at Reason Magazine.

A federal judge in Texas has declared that the Federal Interstate Handgun Transfer Ban is unconstitutional.

Not only is this another in a series of victories for those of us who cherish the Second Amendment; it is a victory for those of us who don't like paying a Federal Firearms License holder (FFL) a fee for nothing more than the transfer of a handgun from one state to another.

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Anthem Breach Results in Scam Phone Calls and Emails

Anthem Breach Results in Scam Phone Calls and Emails
As I have been predicting for many years, **we've now reached the point where it's almost impossible for the average citizen to know when an email or phone call they've received following a massive data breach that included their personal or financial information is a scam or a legitimate offer of assistance.**

Case in point – the Anthem data breach that was announced last week.

Before I get to the trickier details – details that you need to share with every friend and family member – let me say this up front loud and clear:

No reputable company will ever call you on the phone to offer credit monitoring services or any other fraud protection service.

If you take only one thing away from this week's advisory, let it be the knowledge that **scammers will flood the country with fraudulent phone calls following a massive**

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Terrorists Bypass Gun Control

Yes, I'm sure you looked at that headline and thought, "Duh!" But it's my mission in life to supply good people like you with the ammunition they need to prove to others things that most of us know to be true while others blind themselves to those truths.

{Before going further, here's your free copy of the [February Edition of the Self-Reliance Institute Newsletter](#)}

OK—let's get back to the information that proves a truth most of us instinctively understand.

For example, the truth that gun control rarely, if ever, keeps a gun out of the hands of a determined killer.

And now we have proof that gun control will never keep terrorists from getting the weapons they want to slaughter innocents.

All gun control does is keep law abiding folks like you and me from being able to properly defend ourselves.

OK. Here's the proof. And it comes from a place where terrorists are gunning down civilians – Europe.

And while I will give you a few snippets here, I really want you to read "Getting a gun legally in Europe may be hard, but terrorists have little trouble."

Here are the snippets: (Warning—ignore the clear editorial bias against gun freedom exhibited by the article's author - it'll just make you mad - and focus on the facts that prove gun control is useless).

"Europe, a continent long known for the rarity of gun violence, is con-

fronting twin challenges that give the issue sudden urgency: a growing population of radicalized young men determined to strike targets close to home, and a black market awash in high-powered weapons.

"The problem has been rendered vividly in recent weeks by a pair of deadly assaults that each paralyzed a European capital. In Paris and Copenhagen, the attacks were carried out by former small-time criminals turned violent extremists who obtained military-grade illicit weapons with apparent ease.

"In contrast with the free-firing United States, Europe is generally seen



as a haven from serious gun violence. Here in Denmark, handguns and semiautomatic rifles are all but banned. Hunting rifles are legally available only to those with squeaky-clean backgrounds

who have passed a rigorous exam covering everything from gun safety to the mating habits of Denmark's wildlife. ...

"But if you want an illicit assault rifle, such as the one used by a 22-year-old to rake a Copenhagen cafe with 28

bullets on Saturday, all it takes are a few connections and some cash.

"It's very easy to get such a weapon," said Hans Jorgen Bonnichsen, a former operations director for the Danish security service PET. 'It's not only a problem for Denmark. It's a problem for all of Europe.' [emphasis added]

Game. Set. Match.

There's all the evidence you'll ever need to prove that gun control is useless when someone tells you that stricter gun control in the United States will make us safer.

The reality is that gun control places us in far greater danger and empowers terrorists and criminals to murder and slaughter an unarmed population!!!

Bookmark the article. Share it with your friends and family.

Do you agree or disagree?

Let me know at Rob@SelfRely.com

Be safe, secure and free!

Rob Douglas – Former Washington DC Private Detective



Transfer Ban

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Yes, I realize that this ruling will probably be appealed by the government. But, it's another step in the right direction and I feel relatively confident that the decision will be upheld if appealed. I'll keep an eye out for any appeals and I will keep you informed if anything changes.

In the meantime, for a brief report on the decision, see: [“Federal Judge Strikes Down Federal Interstate Handgun Transfer Ban.”](#)

Here are a few important snippets from the article:

“In a major victory today for Second Amendment advocates, Judge Reed O'Connor of the U.S. District Court for the Northern District of Texas, Fort Worth Division, declared the federal interstate handgun transfer ban to be unconstitutional.

“The federal interstate handgun transfer ban is unique compared to other

firearms restrictions because it does not target certain people (such as felons or the mentally ill), conduct (such as carrying firearms into government buildings or schools), or distinctions among certain classes of firearms (such as fully automatic weapons or magazine capacity). Instead,’ Judge O'Connor wrote in Mance v. Holder, ‘the federal interstate handgun transfer ban targets the entire national market of handgun sales and directly burdens law-abiding, responsible citizens who seek to complete otherwise lawful transactions for hand-

guns.’

“According to Judge O'Connor, this approach not only infringes on the core scope of the Second Amendment, it fails to permissibly advance a legitimate govern-

ment interest while doing so.

The Obama administration, he wrote, has ‘not shown that the

federal interstate handgun transfer ban is narrowly tailored to be the least restrictive means of achieving the Government’s goals under current law. The federal interstate handgun transfer ban is therefore unconstitutional on its face.”

And, as the author of the article correctly notes, there is a champion of liberty at the heart of this case who was also involved in the all-important and ground-breaking Heller case.

“The architect of today’s win was

the civil rights lawyer Alan Gura, who argued and won the case and who previously argued and won Heller at the Supreme Court.

Gura’s pathbreaking legal work continues to expand the Second Amendment liberties of all Americans.” [emphasis added]

If you’d like to read the entire opinion, it is [Mance v. Holder](#).

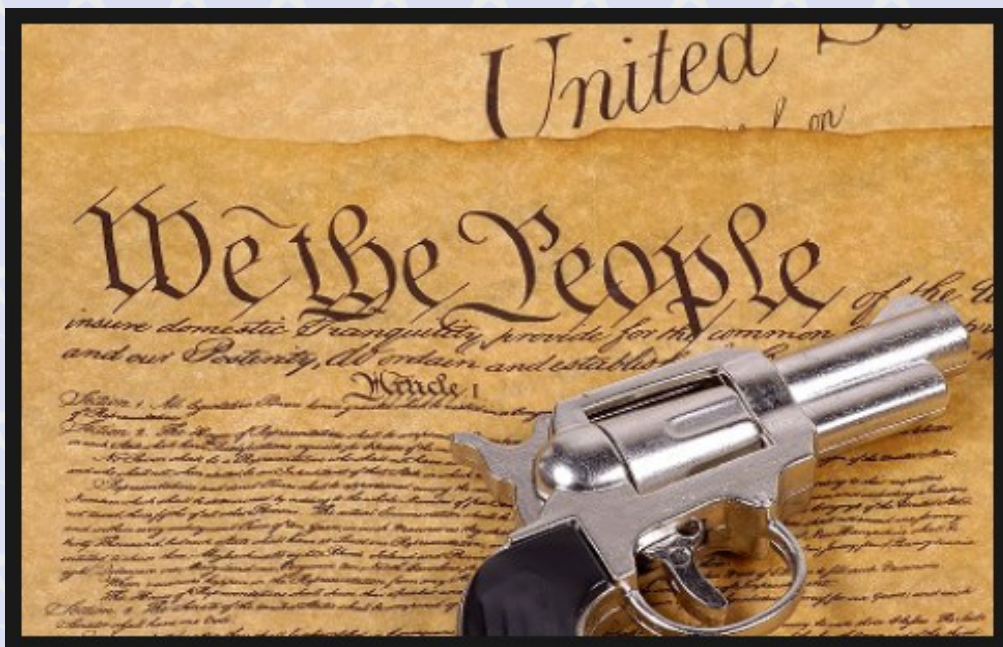
I love delivering good news!!

Do you agree? Is this good news?

Email me at Rob@SelfRely.com and share your thoughts.

Be safe, secure and free!

Rob Douglas – Former Washington DC Private Detective and Strict Constitutionalist



Credit Cards

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and he works now as a freelance investigative journalist, technology skeptic, and consumer advocate.

I can tell you that I've met hundreds of reporters and authors during my career and Bob is one of the most honest, decent and genuinely good journalists it's been my pleasure to know.

But what matters most for our purpose today is that Bob has an excellent piece out about the secret truth behind the relationship between your intra-month credit card balance and your credit score.

Before I share the important information Bob unearthed this week, [here is the January edition of the Self-Reliance Institute Newsletter.](#)

OK. Let's get back to what we all need to know about how our intra-month credit card balance impacts our credit score. Because, I'll admit, it's different than what I thought it was and therefore it may be different than what you believe.

In, "[Burning question: What's the *right* balance to keep on a credit card?](#)", Bob relays what he learned from Barry Paperno. Who is Paperno?

Paperno is "a credit expert and former credit industry insider with FICO and Experian" who now shares what he learned as an insider.



While I encourage you to read all of Bob's excellent piece, here are several

key tidbits from the piece that any self-reliant individual should know when it comes to the relationship between your intra-month credit card balance and your credit score.

"[E]ven if you pay your bill in full each month, running up high balances can have a negative impact on your score. For example, maxing out a card can cost you between 25 and 45 points..."

"What is the *right* credit card balance? In credit industry language, what is the right "credit utilization ratio"? The short answer is pretty close to \$0. But definitely not \$0. It's also definitely not 20 or 30 percent of your available credit, both numbers [Bob has] heard from readers."

"There is no good reason, ever, to carry a balance from one month to the next and incur interest charges. [Bob has] seen people make this mistake, thinking they were somehow helping build their credit, and it couldn't be more wrong. It's always the right move to pay your bill in full by the due date."

"While credit scores are becoming more widely available to consumers, the formula used to construct them is still shrouded in mystery."

"Utilization is a simple concept. If you have four credit cards that together have a credit limit of \$10,000, and you are carrying \$2,500 in debt on them, you are using 25 percent of your available credit — or 25 percent utilization."

"At what point are credit scores punished?...[at] less than 10 per-

cent [of utilization]...In fact, a more accurate answer is between 1 and 9 percent, says Paperno."

"To repeat the essential message here: By far, the most important thing you can do to help your credit is simply pay your bills on time...But as a healthy rule of thumb, in the course of your normal spending habits, try to keep your credit card balances under 10 percent of your available credit at all times."

OK. There's a lot more information in Bob's piece, [Burning question: What's the *right* balance to keep on a credit card?](#), and I encourage you to read it as I bet you'll learn a good bit. I certainly did.

But bottom line: Keep your intra-month credit card balances under 10 percent of your available credit — but not zero — and pay the full balance each month so that you do not incur interest charges.

As always, please share your thoughts and comments with me by emailing Rob@SelfRely.com

Be safe, secure and free!

Rob Douglas – Former Washington DC Private Detective and Certified Identity Theft Risk Management Specialist



Anthem

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data breach like the Anthem data breach which may impact 1 out of every 4 households in the United States. The scam phone calls are designed to steal money by offering services that will never be provided or duping victims into turning over credit card or bank account information.

If everyone across the country understood that reputable businesses never cold call victims or potential customers offering corrective services, fraud would be dramatically reduced. But, I can tell you with certainty, tens of thousands of Americans will fall for phone scams from the Anthem breach alone because they are not as knowledgeable and invested in protecting themselves as are members of the Self-Reliance Institute.

OK. Get the word out to as many friends and family members as you can because these phone calls are already flooding the country.

Now here's the slightly trickier part involving the version of the scam that will victimize even more



folks than the phony phone calls.

This scam involves fraudulent emails offering free credit monitoring services. If you click on the link in the scam email, you will either download malware (including ransomware or scareware) or be taken to a website that will ask you to provide personal and financial information. Either way you are harmed.

And yes, these scam emails are also flooding the country.

According to Brian Krebs, who monitors cybercriminals on a daily basis:

"Phishers and phone fraudsters are capitalizing on public concern over a massive data breach announced this week at health insurance provider Anthem in a bid to steal financial and personal data from consumers."

"The flood of phishing scams was unleashed just hours after Anthem announced publicly that a 'very sophisticated cyberattack' on its systems had compromised the Social Security information and other personal details on some 80 million Americans."

Now here's where it gets complicated enough that people will get tricked.

"In a question on its FAQ page about whether it would be offering credit monitoring to affected customers, Anthem said 'All impacted members will receive notice via mail which will advise them of the protections being offered to them as well as any next steps.'"

But please make note of this crucial point. The "mail" that victims will receive is snail mail (mail you receive by hand at home or at the Post Office), not email.

Let me repeat because this is critical, Anthem will not be emailing victims of the data breach with offers of free corrective or monitoring services. They will be sending out letters offering those services via the U.S. Post-

al Service.

OK? There will not be phone calls and there will not be email from Anthem offering free credit monitoring or any other corrective services.

And here are two resources that I've verified and you can trust for information about the Anthem breach.

The first is the Frequently



Asked Questions (FAQ) page that Anthem has set up. Here is the hotlink with the full web address:

<http://www.anthemfacts.com/faq>

The second is a toll free phone number you can call for a recording of updated information about the breach and scams resulting from the breach. That number is 877-263-7995.

Finally, just because you don't recognize the name Anthem as being involved in your health insurance doesn't mean you haven't been impacted. Anthem is behind and/or services many other "brands" of health insurance including, **Anthem Blue Cross, Anthem Blue Cross and Blue Shield, Blue Cross and Blue Shield of Georgia, Empire Blue Cross and Blue Shield, Amerigroup, Caremore, Unicare.** Also,

Anthem

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BlueCard members are impacted.

And to answer a good question I received by email this week from a member of the Self-Reliance Institute, **former customers of Anthem and all the brands I just listed are potential victims as well.**

OK. I hope this is helpful. **Let's get the word out to as many friends and family members as possible about the phone call and email scams resulting from the Anthem breach so we can save them from**



becoming victims.

And please, if you ever have a question as to whether an email or phone call you receive may be a scam, email me at Rob@SelfRely.com and I'll respond as quickly as possible. I promise.

Be safe, secure and free!

Rob Douglas – Former Washington DC Private Detective and Dedicated Scam Fighter



Self-Reliance Institute Newsletter

Privacy:

HERE'S THE BOTTOM LINE: WE WILL NOT EVER GIVE, SELL, OR RENT YOUR INFORMATION TO ANYONE – EVER.

Questions or comments?

Please email me at Chris@SelfRely.com or call me at my Freedom Writer's Publishing office at 970-367-7624.



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