

## *Financial Common Sense and Self-Defense*

*“Good investors gather information, put that information into current and historical context, then make sound decisions.”*

**Common sense and self-defense are the most effective when applied in tandem.** Please stop and read that one more time. This is a joint truism because each is based on primary principles from the other. Once upon a time, when your parents and teachers worked to instill you with common sense capabilities, the ultimate goal was your protection and their peace of mind. A basic premise of self-defense revolves around using common sense to heighten your sense of awareness and limit your vulnerability. The reality is that common sense and self-defense are intertwined. This is true personally, professionally, and financially.

**A study of what entails common sense can lead you to philosophical, moral, ethical, historical and theological interpretations, and I am not talking about any of those.** This is about basic, calm, collected decision-making. In your family group everyone knows who possesses the most common sense. In your friends and associates crowd everyone knows who shares the most common sense. It is one of the first common community denominators that determines ‘who are we going to turn to for the most reasonable answer or course of action.’ It doesn’t even have to be you! You just have to know who that person is, and that is the ultimate responsibility.

**Financial common sense revolves around calm, collected decision-making.** It has been said that decision making can be trial-and-error, or experienced, which just means that you have already made a lot more errors. The truth is that almost every scientific discovery was made on the trial-and-error platform, aptly depicted by my favorite Thomas Edison poster, “On the 10,000<sup>th</sup> try, there was light!” When dealing with our hard-earned money most of us don’t have the time or the patience for trial-and-error. Experience wins the day. Experience means working with an advisor who utilizes ‘rules engines’, also known as algorithms, that are based upon an ultimate goal of protection and peace of mind. Just like common sense.

**Financial self-defense is actually much more simple. Rule One.** Pay attention. Look at all of your statements and confirmations to realize and understand what it is occurring in your account. Review every statement from your charge accounts and verify every transaction. Many of our clients tell us that they just trust and don’t follow this simple principle. Please verify. Call if you have questions. It’s really pretty simple. Every charge on your credit card has an 800 number. Call it. Verify. **Rule two.** Don’t take shortcuts. This is all about your online activity. A shortcut means that you have clicked on a link that can take you to another link that can take you to another link. Don’t do it. If and when you want more information, go back up to your primary search engine, which could be Google or Bing or whatever. Link transfers give up vital information. Consider those link hook-ups to dark alleys. They expose you to probing. **Rule Three.** Align yourself with the biggest kids in the playground when it comes to playing defense. When you pick your ‘team’ you want the biggest players on the front line, and the quickest, most reactive players in the backfield. In the financial world the biggest players dedicate millions of dollars annually to defending against cyber-security bad guys. Occasionally they still get ‘hacked’ but they have the resources to recognize and respond and litigate on behalf of their clients. This is their responsibility. Consider it common sense insurance combined with big guy defense.

**As for the backfield, Foy Financial Services, Inc., is prepared to respond to your one-on-one questions and concerns.** We have excellent vision of the entire playing field. We recognize your individual situation and are prepared to adapt and respond to your specific needs. It’s good to have the ‘big kids’ with the big bucks on the front line, but it’s also good to have a trusted advisor in the defensive backfield ready to talk one-on-one on how current events relate to you and your money. It’s just common sense. And good self-defense.

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