

Investing with Fox & Company Wealth Management

Our Core Investment Principles

When investing your money, we follow a set of principles based upon historical facts, logic, and common sense. Contrary to what many would have you believe, we freely admit that there is no blinding brilliance required for stock market success. Rather, it takes discipline, purpose, and understanding to yield the long-term results our clients seek. Because the FWM way is not for everyone, we share our core beliefs so that we can form mutually respectful relationships with a few and not waste the time of others.

- 1. We work with clients who like and trust us – and for whom the feeling is mutual.***
Life is just too short to work with people you don't like. So we seek out those who are comfortable with who we are and trust us to do what's best for them. If you can't trust us to give you the pure, undiluted truth and to do our job well, why should you trust us with your money?
- 2. We will not invest your money until you – and we – understand what your money is for.***
Your money is not the client – you are. We are relationship-centered at FWM and we expect our clients to have goals beyond “getting returns”. Planning ahead gives you the clarity to act purposefully, rather than to react on the spur of the moment or emotionally.
- 3. We seek to protect our clients from two great risks, neither of which is volatility.***
Volatility, or sudden moves in stock prices, is often substituted for the word “risk”. But risk and volatility are *not* the same. Not understanding this causes investors to lose money every day. Part of our job is to educate you so that you can understand, expect, and use volatility to your advantage.

The *real* risks we seek to protect you from are: 1) loss of purchasing power and 2) emotional reactions to volatility. We use behavioral management techniques to help you respond appropriately to these risks.
- 4. As Fee-Only® planners and investment advisors, we charge a fee to manage money and behavior.*** We ignore all the sexy new “products” on the market and stick with what works. That means we invest your money in a diversified and properly allocated portfolio of equity mutual funds, which we rebalance at least annually. History proves this method is good for investors over the long term, which is the only time period we will invest our clients' money (see #5).

And because we don't sell annuities, charge commissions, or get kickbacks from mutual fund companies, you can rest assured that we recommend what is best for *you*, not our bank account.
- 5. We invest only for the long term and protect liquidity in the short term*****
From 1926 – 2009, the S&P 500 had *compound average annual rates of returns* of 10% (large cap stocks) to 12% (small cap stocks)*. But *short term* returns are absolutely unpredictable because of market volatility. We temper the short term urge to “panic sell” when the market drops by keeping appropriate amounts liquid according to your *planned* needs. And we focus on the long term risk of outliving your money by investing in equity mutual funds. This gives you the security to remain calm when others are panicking.
- 6. Once your portfolio is in place, we believe the most important thing we can do is to be there for you and your loved ones.*** Your plans will change as soon as you leave our office, so we encourage close and regular contact between you and us. By staying connected, we can incorporate your life changes into your ongoing plans so that you will have clarity about your finances and can make informed decisions about your future.

These are our principles in a nutshell. We'll be happy to expand upon any of these topics and answer your questions at any time – just call 270.247.0555, email info@FoxWealthMgmt.com, or visit <https://meetme.so/foxwealth> to set up your free initial consult.

**<http://bit.ly/FU3OoM> for the Hightower Fiduciary video

**<http://read.bi/VC5GQB> for the Idiot Maker Rally