

Planning Directions, Inc.
239 Baltimore Pike
Glen Mills, Pennsylvania 19342
Phone: 610-361-0865
Fax: 610-361-0869

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FORM ADV PART 2A. BROCHURE

This brochure provides information about the qualifications and business practices of Planning Directions, Inc. If you have any questions about the contents of this brochure, please contact us at 610-361-0865. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Planning Directions, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Planning Directions, Inc. is 120131.

Planning Directions, Inc. is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

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Advisory Business

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Planning Directions, Inc., Inc.'s registration was granted by the U.S. Securities and Exchange Commission on January 14, 2004. Frederick John Dunbar is President and Chief Compliance Officer of the firm. Mr. Dunbar owns one hundred (100%) percent of the equity of the firm. The firm is not publicly owned or traded. There are no indirect owners of the firm or intermediaries which have any ownership interest in the firm. As of December 31, 2012, the firm managed, on a nondiscretionary basis, \$122,399,769 which represented 197 clients and \$3,480,501 on a discretionary basis which represented 9 clients.

The firm is a financial planner which provides all sorts of advice of a financial nature to clients. Approximately sixty (60%) percent of firm's time and billings shall be attributable to the provision of advice including discretionary and nondiscretionary management of assets. Firm generally does not take possession or custody of funds or securities of a client and will generally not provide discretionary management. Firm will provide both discretionary and nondiscretionary management wherein an investment would be recommended to a client and he or she would be advised what percentage of assets should be placed into specific investments.

Approximately fifteen (15%) percent of firm's time is devoted to providing advice about "securities" and approximately twenty-five (25%) percent of firm's time is devoted to providing advice about matters not involving securities, e.g., income tax analysis, cash flow analysis, risk management, retirement planning, estate planning and/or business planning analysis. Firm may recommend no-load mutual funds. All clients are advised that in these situations, two levels of fees will be payable, that is one to the firm and one to the fund manager.

Associated persons of Planning Directions, Inc. provide general non-securities financial planning advice on topics including tax planning analysis, estate planning analysis, business planning, retirement planning, education planning, budgeting and cash flow, and/or fringe benefit analysis. Fees are billed at a rate of \$225.00 per hour and are paid as services are rendered.

The advisory agreement, unless otherwise stated, is for a period of one year. The Adviser or the client may terminate the Agreement at any time on thirty (30) days prior notice. Notice shall be in writing and delivered to the appropriate party's last known address. Any unpaid fees as have been earned by the Adviser shall be paid within fifteen (15) days of the termination of this Agreement.

Fees and Compensation

Form ADV Part 2A, Item 5

With regard to asset management activities, the fee structure is as follows: less than \$500,000, fee of one (1%) percent annually; the next \$500,000, fee of .85% annually; for additional amounts over \$1,000,001, fee of three-quarters (.75%) percent annually. The fee is payable semi-annually in arrears by the client and is generally not negotiable. Further, in the event that a client permits the firm to provide nondiscretionary management services and such client indicates a statement of intent to subject a greater amount of funds to management within 13 months of the initiation of the arrangement, a fee based on the lesser amount will be imposed.

Regarding financial planning fees, the firm imposes an hourly fee of \$225.00. Fees are not negotiable.

Compensation is payable upon provision of the financial planning advice.

Performance-Based Fees and Side-By-Side Management

Form ADV Part 2A, Item 6

Not applicable/None

Types of Clients

Form ADV Part 2A, Item 7

Types of clients serviced by the firm will be individuals, pension plans, profit sharing plans, trusts, estates and/or charitable organizations.

Methods of Analysis, Investment Strategies and Risk of Loss

Form ADV Part 2A, Item 8

The firm will use fundamental analysis as the method by which it analyzes securities.

Investment strategies employed by the firm will be long term purchases (securities held at least a year), short term purchases (securities sold within a year) and trading (securities sold within 30 days).

Disciplinary Information

Form ADV Part 2A, Item 9

Not applicable/None.

Other Financial Industry Activities and Affiliations

Form ADV Part 2A, Item 10

Planning Directions, Inc. is a registered and licensed professional organization providing advisory services covering a diverse spectrum of financial products and vehicles as outlined in this brochure. The primary business of Planning Directions, Inc. is providing brokerage services to clients. The associated persons of Planning Directions, Inc. spend approximately fifty (50%) percent of their time engaged in the activities of a registered representative.

The associated persons of Planning Directions, Inc. may be licensed life, health and accident insurance brokers with all the appropriate state Departments of Insurance, and may receive customary commissions on insurance products sold. In such instances, there is no advisory fee associated with these insurance products.

The associated persons of Planning Directions, Inc. are registered representatives of Commonwealth Equity Services, Inc. DBA Commonwealth Financial Network ("Commonwealth"). Commonwealth is a FINRA registered broker/dealer, and is also licensed as a broker/dealer with the states in which Commonwealth's or its representatives offer securities to clients. Commonwealth's registered representatives may act as the advisory client's representative in the execution of securities transactions on a normal and customary basis. Planning Directions, Inc. has a fee sharing arrangement with Commonwealth. The applicable provisions of Section 206 of the Investment Adviser's Act of 1940 are strictly complied with in the execution of each transaction.

Messrs. Dunbar and Muller accept compensation for the sale of insurance, and other investment products, including annuities.

For hourly-fee clients, Messrs Dunbar and Muller may accept compensation for the sale of securities, including asset-based sales charges or service fees from the sale of mutual funds.

For asset management fee clients, Messrs Dunbar and Muller do not accept any asset based sales charge (12B-1) or service fees from the sale of mutual funds.

1. Clients have the option to purchase investment products that we recommend through other brokers or agents that are not affiliated with us.
2. The firm charges firm fees and Messrs. Dunbar and Muller may receive commission income as a result of product sales. Firm fees are not off-set by commission income.

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Form ADV Part 2A, Item 11

Planning Directions, Inc. is in full compliance with its responsibilities under SEC Rule 204A-1 in which the firm has adopted a written code of ethics which, among other things, requires the firms Chief Compliance Officer to monitor the personal securities transactions of associated persons, as well as to establish a framework of integrity and ethical behavior within the firm. A copy of the firm's code of ethics is available upon request to all clients and prospective clients.

The firm or individuals associated with the firm may buy or sell securities identical to those recommended to customers for their personal account.

It is the expressed policy of the firm that no person employed by the firm may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, and therefore, preventing such employees from benefiting from transactions placed on behalf of advisory accounts.

The firm or any related person(s) may have an interest or position in a certain security (ies) which may also be recommended to a client.

As these situations may represent a conflict of interest, the firm has established the following restrictions in order to ensure its fiduciary responsibilities:

- 1) A director, officer or employee of the firm shall not buy or sell securities for their personal portfolio(s) where

their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No person of the firm shall prefer his or her own interest to that of the advisory client.

2) The firm maintains a list of all securities holdings for itself, and anyone associated with this advisory practice. These holdings are reviewed on a regular basis by Mr. Frederick Dunbar, President.

3) The firm requires that all individuals must act in accordance with all applicable federal and state regulations governing registered investment advisory practices.

4) Any individual not in observance of the above may be subject to termination.

The associated person of Planning Directions, Inc., and/or other employees of Planning Directions, Inc. may from time to time buy or sell for their own personal accounts securities which have also been recommended to clients. Any such securities transactions are likely to be insignificant in relation to the market as a whole. As a practice the transactions, if any, of Planning Directions, Inc. are executed after related client transactions have been executed. However, in all cases, full disclosure is provided to the client.

Brokerage Practices

Form ADV Part 2A, Item 12

The firm's associated persons are registered representatives of Commonwealth Financial Network. In the event that a client freely chooses to implement the advice through such registered representatives, the broker/ dealer would be Commonwealth Financial Network.

The following statement is made by Planning Directions, Inc.: (1) Associated persons of the firm are also associated with Commonwealth Financial Network. (2) Clients are under no obligation to have the firm implement any suggestions made in a written financial plan. (3) If asked to implement the suggestions of the financial plan, the firm intends to implement such financial planning, in whole or in part through products offered by Commonwealth Financial Network. (4) To the extent the firm's associated persons do implement, they will be acting as agents for the broker/dealer and/or the insurance company. (5) Although the firm's associated persons are registered representatives of Commonwealth Financial Network, these advisory services provided herein are basically beyond the scope of employment with the broker/dealer and these services are independent from such employment with the broker/dealer. (6) If insurance or securities products are sold, commissions would be received by the associated persons of the firm. (7) Clients shall have total freedom to execute securities and/or insurance transactions with any company of their choice. (8) It is likely that the firm and/or its associated persons if asked to implement will recommend or use only the financial products offered by the broker/dealer as stated above and that the financial plan could be limited by such products.

The associated persons of Planning Directions, Inc. may suggest that financial planning clients use Commonwealth Equity Services, Inc. DBA Commonwealth Financial Network ("Commonwealth") as the broker/dealer for executing securities transactions. Clients are not obligated to use Commonwealth as the

broker/dealer, and are free to use the broker/dealer of their choice. However, if the financial planning client wishes to implement the plan through the associated persons of Planning Directions, Inc., then the broker/dealer used must be Commonwealth.

For hourly fee clients, transactions will be charged according to Commonwealth's then-current commission schedule and clients may pay higher commission rates and other fees than otherwise available.

All firm clients may be assessed transaction fees charged by custodians and/or product sponsors which are fully disclosed to the client. These fees and expenses are separate and distinct from any financial planning fee(s) charged by associated persons of Planning Directions, Inc.

Review of Accounts

Form ADV Part 2A, Item 13

Applicant strongly suggests that clients submit to a review on at least an annual basis. Clients are advised that a change in personal situation, financial situation or laws should trigger a review, even if more frequently than on an annual basis. These reviews will be performed by Mr. Dunbar and/or Mr. Muller.

With respect to financial planning clients, an annual review is recommended.

With respect to asset management clients, a semi-annual review shall be undertaken for most clients.

Client Referrals and Other Compensation

Form ADV Part 2A, Item 14

Planning Directions, Inc. may offer the services of various third-party investment advisers through an association with Commonwealth Equity Services, Inc. DBA Commonwealth Financial Network ("Commonwealth"), an investment advisory firm registered with the U.S. Securities and Exchange Commission. Clients shall receive the third-party adviser's Brochure. Planning Directions, Inc. may offer Commonwealth's Custom Account program to suitable clients. Clients shall receive Commonwealth's Brochure which fully describes the operation of and fees associated with the Custom Account program. Planning Directions, Inc. may offer Commonwealth's PPS Direct Account program to suitable clients. Clients shall receive Commonwealth's Brochure which fully describes the operation of and fees associated with the PPS Direct Account program.

Custody

Form ADV Part 2A, Item 15

Not applicable/None

Investment Discretion

Form ADV Part 2A, Item 16

The firm may provide asset management services on a discretionary basis. As such, the firm will have the ability, without first obtaining specific client consent, the securities to be bought and/or sold and the amount of the securities to be bought and/or sold.

Voting Client Securities

Form ADV Part 2A, Item 17

The adviser does not vote proxies for any of the assets in the clients account(s).

Financial Information

Form ADV Part 2A, Item 18

The firm charges asset management clients fees in arrears.

The firm does not receive any compensation in advance.

Requirements for State-Registered Advisers

Form ADV Part 2A, Item 19

Not applicable

Additional Information

None.