

Part 2A of Form ADV: *Firm Brochure*

Financial Directions LLC

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This brochure provides information about the qualifications and business practices of Financial Directions LLC. If you have any questions about the contents of this brochure, please contact the Chief Compliance Officer at 520-408-7777 or mary@financialdirectionsllc.com. 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.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about Financial Directions LLC also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 108475.

Item 2 Material Changes

The SEC adopted "Amendments to Form ADV" in July, 2010 which mandated this document to be in a narrative form and include some information we were not previously required to disclose. The following Firm Brochure, dated 12/31/2023, is our current disclosure document prepared according to SEC requirements and rules.

Item 2 is specifically intended to provide you with a summary of new and/or updated information. We will inform you of the revision(s) based on the nature of the updated information.

Consistent with these new rules, we will provide a notice of summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Furthermore, we will notify you of other interim disclosures about material changes as necessary.

We file our annual updating amendment and Firm Brochure by 3/31 of each year. As of this filing dated 12/31/2023 we have reviewed and updated some brochure language. However, we do not consider these updates as material changes since they do not impact our business practices.

You can review our current Brochure as filed with the SEC on our website www.financialdirectionsllc.com. Or contact us at 520-408-7777 for a printed copy of our current or archived Brochures.

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Item 4 Advisory Business

Financial Directions LLC is a SEC Registered Investment Adviser (RIA) with its principal place of business located in Tucson, Arizona. Financial Directions LLC began conducting business in 1996.

Listed below are the firm's principal owners (i.e., those individuals controlling 25% or more of this company).

- Stan W Spackeen, Managing Member
- Frank B Griffith, Member (Retired)

Financial Directions LLC offers the following advisory services to our clients:

INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT

Our firm provides on-going advice to you regarding the investments in any accounts you have placed under our supervision through an Investment Advisory Agreement. Together, through personal discussions of your individual situation, we create and manage a portfolio based on that information. During the data-gathering process, we will discuss such things as your individual objectives and goals, time horizons, risk tolerance, liquidity needs, prior investment history, family composition, or other pertinent information.

We endeavor at all times to put your interests first as part of our fiduciary duty as a Registered Investment Advisor.

We manage these advisory accounts on a discretionary basis. Account supervision is guided by your objectives and strategies as discussed (i.e., capital appreciation, capital conservation, income, limit risk, or a combination), as well as tax considerations. To ascertain if the initial determination of an appropriate portfolio remains suitable and that the account continues to be managed in a manner consistent with your financial circumstances, our relationship covers:

1. We will periodically contact you to determine whether there have been any changes in your financial situation or investment objectives;
2. We will be reasonably available for consultations;
3. We will maintain client suitability information in your file based on information you have provided;
4. You will contact us when there are changes in your circumstances, or with concerns or questions about your investments; and
5. You will inform us of reasonable restrictions you have on investing in certain securities, types of securities or industry sectors;
6. You will inform us of specific areas of interest or expertise.

Our investment recommendations are not directed to any specific or proprietary product or service offered by a broker-dealer, insurance company, or securities firm (see Item 12 Best Execution). We have chosen to custody through Fidelity Investments which provides us an open architecture of investments to meet individual needs and objectives. Fidelity has a comprehensive platform covering custody, trading, investments, service, technology, and

compliance (see also Item 15). We will generally include advice regarding the following types of securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issues (such as ADRs or foreign currency CDs)
- Corporate debt securities (other than commercial paper)
- Certificates of deposit
- Municipal securities
- Variable annuities
- Mutual fund shares and/or Exchange-traded Funds
- United States governmental securities
- Interests in partnerships investing in real estate
- Interests in partnerships investing in oil and gas interests
- Interests in partnerships investing in other alternatives.

While some types of securities, such as alternatives or individual issues, may be intended to reduce overall portfolio volatility or provide additional growth potential some may also involve additional risk or can be illiquid, non-traded, or traded on a secondary market. Therefore, they may be implemented/recommended when consistent with your investment objectives. Reg D or private offerings can only be offered to qualified or accredited investors as designated in the subscription documents. To determine suitability of a company's offerings it is incumbent on you and your advisor to review specific qualifications and risks prior to investing.

AMOUNT OF MANAGED ASSETS

As of 12/31/2023, we were actively managing \$560,568,238 of client assets on a discretionary basis utilizing custodians Fidelity Investments and American Funds Service Co/Capital Group.

Item 5 Fees and Compensation

INVESTMENT SUPERVISORY SERVICES INDIVIDUAL PORTFOLIO MANAGEMENT FEES

The annualized fee for Investment Supervisory Services is primarily a percentage of assets under management (AUM), but retainer fees can also be negotiated. You should note that similar advisory services may (or may not) be available from other registered or unregistered investment advisors for similar or lower fees. We feel we have structured our range of fees to be competitive and reasonable for the services we provide.

Services charged as a percentage of assets under management are generally according to the following schedule:

| <u>Assets Under Management</u> | <u>Our Typical Fee</u> |
|--------------------------------|------------------------|
| \$0 - 1,000,000 | 1.00% |

\$ 1,000,001 - 3,000,000 .6-1.00%
 > \$3,000,000 .5%- Negotiable
 >\$5,000,000 Negotiable

Services billed under a retainer are generally according to the following schedule:

| <u>Assets Under Retainer</u> | <u>Our Typical Fee</u> |
|------------------------------|--------------------------------|
| \$0 - 150,000 | \$100- \$1500 per year |
| \$150,001 - 1,000,000 | \$1500-\$10,000 per year |
| \$1,000,000 - 3,000,000 | \$10,000-\$15,000 per year |
| >\$3,000,000 | \$15,000 - Negotiable per year |
| >\$5,000,000 year | Negotiable per year |

For accounts custodied through Fidelity AUM fees are billed quarterly in advance, and are calculated based on the fair market value of the account on the last day of the quarter, or as of the last Friday of the quarter if the quarter ends on a weekend or holiday. The retainer amount is deducted per the advisory agreement schedule beginning with the next regular quarterly billing cycle.

Quarterly fees as calculated above are directly debited from your account in accordance with your authorization in the Investment Advisory Agreement. Notification of fee debit is provided to you in your account statement. In the event the account does not contain a sufficient cash balance to cover the fee we can at our discretion liquidate sufficient investment shares held in the account to cover the fee, or adjust the fee accordingly. Initial or additional funds or transfers into the account during the quarter do not incur fees until the next regular quarterly billing cycle. (See Termination below.) If fees are invoiced to you directly you agree to pay the invoice timely as outlined in the Investment Advisory Agreement.

Fee debits are reviewed by our advisors during the regular billing cycle and audited quarterly by management by examining a random selection of accounts for accuracy. Any errors noted will be a) adjusted on the next regular billing cycle if the fee was in excess of the correct calculation, b) accepted in full payment as deducted if the fee was less than the correct calculation, or c) a refund check will be issued to the client.

For accounts custodied only through American Funds AUM fees are internally calculated quarterly by American Funds and paid directly to Financial Directions, LLC for F2 shares held in accounts with a properly executed fee debit agreement at no more than 25 basis points annually. American Funds will pro-rate the fee depending on account balance as held throughout the quarter. We have no control over the calculating or processing of these fees. These fees are not covered by an Investment Advisory Agreement.

Limited Negotiability of Advisory Fees: Although we have established the aforementioned fee schedules (Item 5), we may adjust the stated fee range, percent or amount on a client-by-client basis. The specific fee is identified in the Investment Advisory Agreement signed between you and your advisor, but it is never higher than what is stated in our ADV.

Termination of the Advisory Relationship: An agreement for investment supervisory services may be canceled at any time, by either party, for any reason upon written notice. As disclosed in Item 5 above, we collect our advisory fees in advance of services provided. If a termination notice is tendered before fees are deducted for the quarter then no fee will be charged. If the termination notice is tendered after fees are deducted for the quarter then the termination notice date will be used to calculate a refund. A pro-rated amount will be calculated based on the date the termination notice is received at our office and the number of days until the end of the quarter. We will issue a refund check and mail it to your address of record on file with us or adjust the fee against other accounts you have managed by us. Only a full distribution that closes your account is considered for fee refund. Generally, any pro-rated amount less than \$10 will not initiate a refund. If partial or periodic distributions are made during the quarter no fee adjustment is made. Depending on the custodian holding your assets, your account may be charged a termination fee. Typical fees range from \$35 to \$150 and are usually deducted from your account at distribution.

GENERAL INFORMATION

Mutual Fund Fees: All fees paid to us for investment supervisory services as agreed to in the Investment Advisory Agreement are separate and distinct from the fees and expenses charged by mutual funds, ETFs, or other investment products to their shareholders. These investment product expenses are described in each fund's prospectus. These expenses will generally include a management fee, other fund expenses, and transfer or distribution fees. You can invest in a mutual fund directly through our relationship with American Funds (see Item 5) and without investment supervisory services, but you are still subject to the fees and expenses charged by the investment company. Accordingly, you should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid and evaluate the advisory services we are providing. We do not utilize mutual fund shares that charge 12(b)1 fees (Item 12).

Additional Fees and Expenses: In addition to our advisory fees and fund expenses, you are also responsible for the fees and expenses charged by custodians or brokers for account services whether transactions are initiated by you or your advisor. These fees and expenses will generally include, but are not limited to, transaction charges, termination fees, trading costs, margin calls, and annual fees. Please refer to the Brokerage Practices section (Item 12) for additional information.

Grandfathering of Account Requirements: You are subject to the terms and fee schedule in effect per the most current Investment Advisory Agreement signed and on file. You and your advisor may re-negotiate or update the advisory agreement from time to time. The new agreement must be signed by you before it becomes effective.

DOL Accounts and Fiduciary Status: Accounts under the Department of Labor (DOL) jurisdiction include Employee Retirement Income and Securities Act (ERISA) employee benefit plans and IRAs. As a Registered Investment Advisor (RIA) we are a fiduciary to these clients or accounts. Our ADV, Investment Advisory Agreements and Form CRS disclose our

fiduciary status, how we are compensated, or any conflicts of interest. We will disclose your options, including associated fees and expenses, when recommending a rollover from your employer plan or transfer from another custodian/mutual fund company to an account under an Investment Advisory Agreement with our firm. See also our Form CRS.

Item 6 Performance-Based Fees and Side-By-Side Management

Financial Directions LLC does not charge performance-based fees.

Item 7 Types of Clients

Financial Directions LLC provides investment supervisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals (an individual with more than \$1,000,000 under management)
- Small business owners

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss

METHODS OF ANALYSIS

We use the following methods of analysis in formulating our investment advice and/or managing assets and in determining suitability:

Fundamental Analysis. We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Technical Analysis. We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

Cyclical Analysis. In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

Asset Allocation. This is a strategy to help reduce risk and maximize returns on an investment portfolio. Rather than focusing primarily on securities selection, we attempt to identify an appropriate mix of asset classes, including securities, alternative investments, fixed income, and/or cash, suitable to your circumstances. These depend on many factors,

such as your investment goals, how much time you have to invest, your risk tolerance, interest rates, and market outlook.

A risk of asset allocation is that you may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements. Together we should review and rebalance your portfolio from time to time to remain in tune with your circumstances.

Mutual Fund and/or ETF Analysis. We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in your portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for your portfolio.

Risks for all forms of analysis. Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

INVESTMENT STRATEGIES

We use the following strategies in managing accounts to determine which strategies are appropriate to your needs and consistent with your investment objectives, risk tolerance, and time horizons:

Long-term purchases. We purchase securities with the idea of holding them in your account for a year or longer. Typically we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases. When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to

take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

Margin transactions. If an account is setup with margin privileges you can purchase stocks for your portfolio with money borrowed from your brokerage account. This allows you to purchase more stock than you would be able to with your available cash, and allows you to purchase stock without selling other holdings. A risk with this strategy is you may be subject to a margin call if the security has a decline in value. Margin accounts are not recommended but this trading privilege can be established with your written request.

Risk of Loss. Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

Model Portfolios. We currently do not utilize model portfolios. We manage your account(s) based on your personal situation (see Item 4).

Item 9 Disciplinary Information

We are required to disclose any legal or disciplinary events that are material to your, or a prospective client's, evaluation of our advisory business or the integrity of our advisors.

Our firm and advisors have no reportable disciplinary events to disclose. Broker history is available for public viewing on the SEC (www.sec.gov) and FINRA (www.brokercheck.org) websites.

Item 10 Other Financial Industry Activities and Affiliations

We endeavor at all times to put your interests first as part of our fiduciary duty as a SEC registered Registered Investment Adviser. Since our compensation is derived solely from fees generated by assets under management the more assets you hire us to manage can cause you to pay more in fees. Therefore, we can have an incentive to encourage you to increase the amount of money invested in those accounts. See Form CRS.

We take the following steps to address conflicts of interest:

- we disclose to you the existence of all material conflicts of interest;
- we disclose to you that you are not obligated to purchase recommended investment products from your advisor;
- we make a reasonable effort to collect, maintain and document accurate, complete and relevant client background information, including your financial goals, objectives and risk tolerance;
- our management conducts regular reviews of random client accounts and all new accounts to verify that recommendations made are suitable to your needs and circumstances;
- we require that our advisors seek prior approval of any outside employment activity so that we may ensure that any conflicts of interest in such activities are properly addressed;
- we periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and

- we educate our advisors regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to you.

Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our personnel to be in compliance with applicable federal securities laws. We require our personnel to sign an acknowledgment of the Code of Ethics annually.

We owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere to both specific provisions of the Code of Ethics and the general underlying principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of securities transactions as well as initial and annual securities holdings reports that must be acknowledged by our personnel. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

Our Code of Ethics further includes the firm's privacy policy prohibiting the use of material non-public information. All personnel know that such information may not be used in a personal or professional capacity. We do not publicly publish, distribute, or market non-public identifiable information.

A copy of our Code of Ethics is available upon request. Our annual privacy notice is sent annually and incorporated into the Investment Advisory Agreement or is available on our website www.financialdirectionsllc.com.

Financial Directions LLC and our personnel are prohibited from engaging in principal transactions, in agency cross transactions, and from accepting on behalf of a client any funds, checks, or securities that are made payable or endorsed to our firm or personnel. We do not cash or custody funds at any time. We make a good faith attempt to forward all such documents within 24 hours to the appropriate investment custodian (see Item 15).

Personal Trading Activity

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our personnel will not interfere with (i) making decisions in the best interest of our advisory clients and (ii) implementing such decisions while, at the same time, allowing personnel to invest for their own accounts.

Individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to you.

Conflicts of Interest

As these situations represent actual or potential conflicts of interest to you, we have established the following policies and procedures for implementing our Code of Ethics, to ensure we comply with our regulatory obligations and provide you and potential clients with full and fair disclosure of such conflicts of interest:

1. No personnel of our firm may put his or her own interest above the interest of an advisory client.

2. No personnel of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her affiliation, (insider trading) unless the information is also available to the investing public.
3. No personnel may purchase or sell any security prior to a transaction being implemented for an advisory account. This prevents such personnel from benefiting from transactions placed on behalf of advisory accounts.
4. Our firm requires prior approval for any IPO or private placement investments by personnel of the firm.
5. We maintain a report of securities holdings for our firm and personnel. These holdings are reported annually by our personnel and reviewed on a regular basis by our firm's management.
6. We have established procedures for the maintenance of all required books and records.
7. You can decline to implement any advice rendered. On accounts where we are granted discretionary authority, you may impose reasonable restrictions on investing in certain types of securities, or industry sectors. Such restrictions must be in writing.
8. All of our personnel must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
9. We require acknowledgement of the Code of Ethics by all personnel of our firm annually.
10. We have established policies requiring the reporting of Code of Ethics violations to our management.
11. Any individual who violates any of the above restrictions may be subject to termination.
12. We have established a schedule of compliance training sessions to ensure our advisors are up to date on recent compliance regulations and issues.
13. We hold periodic investment meetings to review the status of the market and current account holdings in order to determine ongoing suitability.

Item 12 Brokerage Practices

You give us discretionary authority when you sign the Investment Advisory Agreement with your advisor. Discretionary authority means your advisor can decide on the investment to be purchased or sold on your behalf. You may limit this authority by giving us written instructions. You may also change or amend such authority by providing us with updated written instructions.

Soft Dollars

Definition: arrangements under which products or services other than execution of securities transactions are obtained by an advisor from or through a broker-dealer in exchange for the direction by the advisor of client brokerage transactions to the broker-dealer. A firm must exercise investment discretion over an account in order to use client commissions to obtain research.

We do NOT participate in soft dollar arrangements.

Block Trading

As a matter of policy and practice, we do not generally place block trades and, therefore, we implement client transactions separately for each account. Consequently, certain client trades will be executed at different prices.

Best Execution

As a result of the services, benefits, and technology we receive from Fidelity, we have an incentive to continue to use or expand the use of Fidelity's services. We examined this potential conflict of interest when we chose to enter into the relationship with Fidelity and have determined that the relationship is in the best interests of our clients and satisfies our client obligations, including our duty to seek best execution. A client may pay a trading or transaction fee that is higher than another qualified or discount broker might charge to effect the same transaction. We determine in good faith that the charges are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker's services, including the value of research provided, execution capability, commission rates, financial responsibility, and responsiveness. Accordingly, while we find Fidelity offers competitive rates to the benefit of all clients, we may not actually obtain the lowest possible rates for specific client account transactions. Generally, we use the investment research products and services to service all clients.

We have an arrangement with National Financial Services LLC (a division of Fidelity) and Fidelity Institutional Wealth Services (Fidelity) through which Fidelity provides us with their institutional platform of services. These services include brokerage, custody, and other related services. We have the discretion to change this arrangement at any time when we determine it to be in the overall best interests of our clients. Due to excellent technology and client experience provided by Fidelity we expect this relationship to continue long-term.

Fidelity also offers other services intended to help us manage and further develop our advisory practice. Such services include performance reporting, financial planning, contact management systems, third party research, publications, access to educational conferences, roundtables and webinars, practice management resources, access to consultants and other third party service providers who provide a wide array of business related services and technology with whom we can contract directly.

Trade Errors

Each advisor can place his own trades or provide trading instructions to management. In either case trades are reviewed by management daily. The accuracy of trades placed in advisory accounts is reviewed per the daily trade report. If an error or suspicious activity is detected we contact the custodian's trading desk immediately. Trading error corrections are sent electronically to Fidelity and needed adjustments are monitored until a report confirming correction is received. A copy of the corrections report is kept on file in the Trade Error Blotter. Any gain or loss resulting from the correction is posted to our Fidelity trade correction account and may be journaled to the affected account. Typically gains are transferred to affected account(s) and losses are backcharged to the advisor.

Financial Directions LLC and Fidelity are not affiliated. We are independently registered with the SEC as a Registered Investment Advisor. Our purpose is to provide competitive services through resources and relationships designed to support the best interests of you and your investments. (See Item 5.)

Share Class Selection

Share class selection has been a hot topic under regulatory review. We periodically review our holdings and initiate share class conversions when deemed appropriate. Our review covers annual expenses, 12-b1 fees, transaction fees, amounts invested, and holding times. In light of these reviews we have implemented guidelines to ensure an appropriate share class selection is utilized to your best interest. As a general rule a mutual fund purchase greater than \$20,000 should be purchased as an institutional share class when available even if there is a transaction fee. We have determined this as a breakeven purchase point assuming \$25 transaction fee, fund expense ratio of 20bps less and at least a 12-month holding period. Exceptions to this would be if you plan or want the ability to add to or sell the position within a shorter timeframe.

The use of funds with an associated 12b-1 fee may be used or held on transfer-in if the net fee and load-waived features are determined to be in your best interest. We do not receive revenue from the 12b-1 fees.

Undoubtedly there are exceptions to these guidelines and it is both the Advisor's and your responsibility to determine which share class is the most prudent based on the information at the time of purchase or transfer-in, the expected timeframe to hold the position, and the fund fee differential.

Item 13 Review of Accounts

INVESTMENT SUPERVISORY SERVICES INDIVIDUAL PORTFOLIO MANAGEMENT

Reviews: While the underlying securities within accounts are regularly monitored, individual accounts are reviewed on a random basis at least monthly. Accounts are reviewed in the context of your stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as your individual circumstances, the market, political or economic environment.

These accounts are reviewed by management or their designee.

Reports: Monthly or quarterly statements and confirmations of transactions that you receive are prepared and issued by the account custodian. We do not prepare or provide reports or statements. However, if you have a question or problem with any account activity or your statement you should contact your advisor immediately. Copies are provided via regular mail or electronic mail depending on your expressed preference. We do not internally prepare performance reports for clients.

Item 14 Client Referrals and Other Compensation

We do not engage solicitors or pay related or non-related persons for referring potential clients to our firm.

We do not accept or allow our advisors to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to you.

Item 15 Custody

We have chosen to custody through Fidelity Investments which provides us an open architecture of investments to meet individual needs and objectives. Fidelity has a comprehensive platform covering custody, trading, investments, service, technology, and compliance.

We previously disclosed in the Fees and Compensation section (see Item 5) we directly debit advisory fees from client accounts. Thus we are deemed to have custody of accounts for this purpose.

We do not have actual or constructive custody of client accounts. Further, we are prohibited from accepting on your behalf any funds, checks, or securities that are made payable or endorsed to our firm or personnel. We do not cash or custody funds at any time.

Asset Movement Authorization

Changes in the custody rules were effective in 2017 and per these changes we reviewed the terms of our asset movement authorizations. After careful and thorough consideration of many factors and discussions with industry professionals we changed our asset movement authorization level to no more than custody with relief. This satisfies the requirements and allows us to continue servicing your accounts as we currently are with standing letters of authorization. Any other asset movement requests, especially those involving third parties, require your signature to the specific event. Authorization is provided as follows:

- 1) You provide instructions to the qualified custodian, in writing, that includes your signature, the third party name, the third-party address and account number of the entity to receive the transfer.
- 2) You authorize us, as investment advisor, in writing on the qualified custodian's form, to direct transfers to the third party on a specified schedule.
- 3) The qualified custodian performs appropriate verification of the instruction, such as signature review or other method to verify your authorization, and provides a transfer of funds notice promptly to you after each transfer.
- 4) You have the ability to terminate or modify the instructions to the qualified custodian within a reasonable time before funds are released.
- 5) We as investment advisor have no authority or ability to designate or change the identify of the third party, the address, or any other information about the third party contained in your written instructions.
- 6) Since we do not custody funds on your behalf we will not accept any instructions that direct funds into our name or address or that of a related party.
- 7) The qualified custodian sends you, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

Cybersecurity

Hackers and those that commit cybercrimes are becoming more and more sophisticated. We understand the importance of protecting your family and financial assets from cybercrime. We work with Fidelity because of their commitment to fighting cybercriminals and their leadership role in keeping financial accounts safe. We also have in-house procedures in place to protect

your personal information, such as firewall and server, password and authentication protection, encrypted email, secured files, backup protocols.

Standing Letters of Authorization:

Standing Letters of Authorization pertain to transferring funds to/from your account from a third party. You can authorize us as an advisor to your account with a Standing Letter of Authorization (ie Standing Instructions or Letter of Instruction) to pay funds from your account without discretion as to the payee per the following conditions:

- 1) You provide instructions to the qualified custodian, in writing, that includes your signature, the third party name, the third party address or account number at a custodian to which the transfer should be directed.
- 2) You authorize us as advisor, in writing, either on the qualified custodian's form or separate Letter of Instruction to direct transfers to the third party either on a specified schedule or from time to time.
- 3) The qualified custodian performs appropriate verification of the instructions, such as signature review or other method to verify your authorization, and provides a transfer of funds notice to the client promptly after any transfer.
- 4) Only you have the ability to terminate or change the instructions to the custodian.
- 5) We have no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party payment contained in your instructions.
- 6) We maintain records that the third party is not a related party or located at our address.
- 7) The custodian sends you, in writing, notice of the instruction and transfer and an annual notice to reconfirm the instructions.

Item 16 Investment Discretion

Under the Investment Advisory Agreement you hire us to provide discretionary services, strategies, and execution in your account. We may place trades in your account without contacting you prior to each trade to obtain permission.

Our discretionary authority includes the ability to do the following without contacting you:

- Determine the security to buy or sell
- Determine the amount of the security to buy or sell
- Determine the timing of when to buy or sell the security

You give us discretionary authority when you sign the Investment Advisory Agreement with your advisor, and you may limit this authority by giving us written instructions. You may also change or amend such authority by providing us with updated written instructions.

Item 17 Voting Client Securities

We do not accept instructions or vote proxy materials for your accounts. For all advisory accounts it is your responsibility to accept proxy and legal materials at the account address of record.

We are available to review and discuss with you pending actions but we will not act on your behalf in legal proceedings involving companies whose securities are held in your account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements.

Since we do not vote proxies for investment advisory accounts, you maintain exclusive responsibility for:

1. directing the manner in which proxies solicited by issuers of securities beneficially owned will be voted;
2. making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other events pertaining to the investment assets; and
3. instructing each custodian of the assets to send copies of all proxies and shareholder communications relating to your investment assets to your address of record.

Item 18 Financial Information

Financial Directions LLC has no additional financial circumstances to report.

Since we do not require or collect payment of fees in excess of \$1200 per account more than six months in advance of services rendered we are not required to include a financial statement.

Financial Directions LLC has not been the subject of a bankruptcy petition at any time since it began conducting business in 1996.

Part 2B of Form ADV: *Brochure Supplement*

Mary L. Cherba
1228 E Prince Rd
Tucson, AZ 85719
520-408-7777

Financial Directions LLC
1228 E Prince Road
Tucson, AZ 85719

12/31/2023

This brochure supplement provides information about Mary L. Cherba that supplements the Financial Directions LLC Brochure. A complete copy of our Brochure is available on our website www.financialdirectionsllc.com. Contact Mary Cherba CCO or your advisor at 520-408-7777 if you have any questions about the contents of this supplement.

Additional information about Mary L. Cherba is available on the SEC's website at www.adviserinfo.sec.gov or FINRA's website at www.finra.org.

Item 2 Educational Background and Business Experience

Full Legal Name: Mary L. Cherba **Born:** 1954

Education

- University of Arizona; BS, Business Administration/Accounting; 1995
- CRD #3129156; Series 65

Business Experience

- Financial Directions LLC; Advisor and Accountant; 1998 to Present; and Chief Compliance Officer; 2005 to Present

Designations

Mary L. Cherba no longer holds the CPA designation in Arizona

Item 3 Disciplinary Information

Mary L. Cherba has no reportable disciplinary history.

Item 4 Other Business Activities

A. Investment Related Activities

NONE

B. Non Investment Related Activities

Independent of Financial Directions LLC Mary Cherba offers tax preparation services to advisory clients and non clients. This outside business or occupation does not provide substantial compensation or involve a substantial amount of her time. Financial Directions LLC does not financially participate in this activity. This service may present a conflict of interest to advisory services and possible conflicts must be disclosed.

Financial Directions LLC pays Mary Cherba a salary for managerial and business support services independent of her advisory compensation.

Item 5 Additional Compensation

Mary L. Cherba does not receive any economic benefit from a non-advisory client for the provision of advisory services.

Item 6 Supervision

Supervisor: Stan Spackeen; Self

Title: Managing Partner; Chief Compliance Officer

Phone Number: 520-408-7777

Part 2B of Form ADV: *Brochure Supplement*

Christopher Hambacher
1228 E Prince Rd
Tucson, AZ 85719
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Tucson, AZ 85719

12/31/2023

This brochure supplement provides information about Christopher Hambacher that supplements the Financial Directions LLC Brochure. A complete copy of our Brochure is available on our website www.financialdirectionsllc.com or upon request. Contact Mary Cherba CCO or your advisor at 520-408-7777 if you have any questions about the contents of this document.

Additional information about Christopher Hambacher is available on the SEC's website at www.adviserinfo.sec.gov or FINRA's website at www.finra.org.

Item 2 Educational Background and Business Experience

Full Legal Name: Christopher M. Hambacher **Born:** 1981

Education

- University of Arizona; BS, Economics; 2003
- CRD #4589318; Series 65

Business Experience

- Financial Directions LLC; Advisor and Business Support; 7/2008 to Present

Item 3 Disciplinary Information

Christopher Hambacher has no reportable disciplinary history.

Item 4 Other Business Activities

A. Investment Related Activities

None

B. Non Investment Related Activities

Christopher Hambacher is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.

Financial Directions LLC pays Christopher Hambacher a salary for managerial and business support services independent of his advisory compensation.

Item 5 Additional Compensation

Christopher Hambacher does not receive any economic benefit from a non-advisory client for the provision of advisory services.

Item 6 Supervision

Supervisor: Stan Spackeen; Mary L. Cherba

Title: Managing Partner; Chief Compliance Officer

Phone Number: 520-408-7777

Part 2B of Form ADV: *Brochure Supplement*

Joseph Hogan
1228 E Prince Rd
Tucson, AZ 85719
520-408-7777

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1228 E Prince Road
Tucson, AZ 85719

12/31/2023

This brochure supplement provides information about Joseph Hogan that supplements the Financial Directions LLC Brochure. A complete copy of our Brochure is available on our website www.financialdirectionsllc.com or upon request. Contact Mary Cherba CCO or your advisor at 520-408-7777 if you have any questions about the contents of this document.

Additional information about Joseph Hogan is available on the SEC's website at www.adviserinfo.sec.gov or FINRA's website at www.finra.org.

Item 2 Educational Background and Business Experience

Full Legal Name: Joseph Hogan **Born:** 1956

Education

- City University of New York; Associate, Computer Programming; 1982
- CRD #1407072; Series 65

Business Experience

- Financial Directions LLC; Advisor; 2006 to 10/2023 (Deceased)

Item 3 Disciplinary Information

Joseph Hogan has no reportable disciplinary history.

Item 4 Other Business Activities

A. Investment Related Activities

None

B. Non Investment Related Activities

Joseph Hogan is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.

Item 5 Additional Compensation

Joseph Hogan does not receive any economic benefit from a non-advisory client for the provision of advisory services.

Item 6 Supervision

Supervisor: Stan Spackeen; Mary L. Cherba

Title: Managing Partner; Chief Compliance Officer

Phone Number: 520-408-7777