

Anchor Bay Capital, Inc.
CRD#116913
Form ADV Part 3
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Item 1. Introduction

Investment Adviser

Anchor Bay Capital, Inc., is an investment adviser registered with the Securities and Exchange Commission. Brokerage and investment advisory services and fees differ, and it is important for a retail investor (defined as a natural person, or the legal representative of such natural person, who seeks to receive or receives services primarily for personal, family, or household purposes) to understand the differences. Free and simple tools are available to research firms and financial professionals on the SEC's investment education website at Investor.gov/CRS which provides educational materials about broker-dealers, investment advisers, and investing.

Item 2. Relationships and Services

What investment services and advice can you provide me?

Description of Services

We offer investment management Services and implement them by buying and selling stocks, bonds, mutual funds, Exchange-Traded Funds and other investment securities in client accounts maintained at various custodians. We construct portfolios by combining stocks, bonds and other securities. We also offer financial planning services that include preparation and presentation of a Financial Plan that projects future cash flow based on assumptions about growth of assets, which clients can use for retirement, budgetary and estate planning.

Monitoring: We monitor investments at least weekly via reports generated from our portfolio management databases. On a daily basis the portfolio managers review asset allocation reports and rebalancing trade proposal reports to ascertain when accounts are out of balance with respect to the parameters. When the portfolio managers determine action is needed, the appropriate action (buying or selling securities) is taken to align the account with the portfolio model.

Investment Authority: We manage assets within managed accounts on a discretionary basis (executing securities transactions without having to obtain prior consent from you). However, you will always make the final decisions.

Limited Investment Offerings: We do not offer any proprietary investment products.

Conversation Starters

<i>Given my financial situation, should I choose an investment advisory service? Why or why not?</i>	<i>How will you choose investments to recommend to me?</i>
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What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

Item 3. Fees, Costs, Conflicts, and Standard of Conduct

What fees will I pay?

Description of Principal Fees and Costs

We charge the following fees:

<u>Assets Under Management</u>	<u>Annual Rate (%)</u>
\$0 to \$100,000	1.75%
\$100,001 to \$250,000	1.5%
\$250,001 to \$1,000,000	1.3%
\$1,000,001 to \$5,000,000	1.1%
\$5,000,001 +	1.0%

Financial Planning & Consulting Fees

We offer comprehensive financial planning and consulting services for individuals, families and small businesses. Fees have a floor of \$500 and a cap of \$3,500. We determine the fee based upon the time involved, the complexity of the plan, and if it is a one-time plan or an on-going plan with regular updates.

We also offer planning and consulting work (such as debt management, small business consulting, tax preparation, divorce planning) at a standard rate of \$150 per hour. We offer two different payment plans: A one-time fee or as a subscription paid quarterly or annually.

Clients with \$250,000 or more in assets under management are offered a standard retirement plan included at no additional cost.

Financial planning services fees are payable in arrears by invoice or by deduction from a designated account with written authorization from the client.

The Adviser will also accept payments via credit card for financial planning services.

Conflicts of Interest

Certain associated persons are registered representatives of an affiliated broker-dealer (Anchor Bay Securities, LLC) and insurance agents appointed with various insurance companies.

When we offer multiple services, there is an incentive to recommend other services offered by us, our employees, or associates because of receipt of additional fees and commissions, causing a conflict of interest.

The more assets that you have in your advisory account, the more you will pay in fees, creating an incentive for us to encourage you to increase the amount of assets in your accounts.

Description of Other Fees and Costs

Client accounts will incur additional fees and charges, such as transaction costs, retirement plan administration fees, and other mutual fund annual expenses that are charged by broker-dealers, plan administrators or mutual fund companies that sell securities or provide additional services. These fees are in addition to and separate from advisory fees.

Additional Information

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time.

Additional information concerning our fees and costs, how the fees are calculated and our conflicts of interest, can be found at <https://www.anchorbaycapital.com/wp-content/uploads/2019/08/Anchor-Bay-ADV-Part-2A-08-2019.pdf> and https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd_iapd_Brochure.aspx?BRCHR_VRSN_ID=634220

Conversation Starters

What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

How might your conflicts of interest affect me, and how will you address them?

When we act as your investment adviser, we have to act in your best interest and not put our interests ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice, we provide you. Here are some examples to help you understand what this means:

A conflict of interest is created whenever we or one of our associated persons recommend products or services to you for which we receive compensation.

How do your financial professionals make money?

Financial professionals are investment adviser representatives and receive a portion of fees generated by the client relationships being serviced including the amount of client assets.

Conversation Starter

Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

Item 4. Disciplinary History

Conversation Starter

As a financial professional, do you have any disciplinary history? For what type of conduct?

Do you or your financial professionals have a legal or disciplinary history? **Yes**

Use the following link for information regarding investment adviser representatives:
<https://www.adviserinfo.sec.gov/IAPD/Default.aspx>

Item 5. Additional Information

Conversation Starters

Who is my primary contact person? | Is he or she a representative of an investment adviser or a broker-dealer?

Who can I talk to if I have concerns about how this person is treating me?

A retail client can find additional information about our services and receive a copy of this relationship summary by visiting our website www.anchorbaycapital.com or contacting us at (760) 602-3470 if you have any questions or to request up-to-date information.