

RIA Client Relationship Summary (Form ADV Part 3)



February 29, 2024

Introduction

Anchor Bay Capital, Inc. (“we”, “our”, “us”) is an investment adviser registered with the Securities and Exchange Commission.

Brokerage and investment advisory services and fees differ, and it is important for the 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](https://www.investor.gov/crs) which provides educational materials about broker-dealers, investment advisers, and investing.

What investment services and advice can you provide me?

We offer investment advisory services to retail investors 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. In addition, we offer tax planning and preparation/filing services for state and Federal returns.

Whenever we make a recommendation to clients, including whether to purchase or sell a security, suggest an investment strategy or to roll over or transfer assets from one type of account to another (workplace retirement plan account to an individual retirement account, or IRA), we are required to observe Regulation BI which requires that we put your interests before ours.

We monitor investments at least weekly as part of our standard services 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.

We manage assets within managed accounts on a discretionary basis (executing securities transactions without having to obtain prior consent from you). We do not offer any proprietary investment products.

For additional information about our services, please visit our website at www.anchorbaycapital.com.

Conversation Starters – Ask your financial professional:

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

What fees will I pay?

We charge ongoing asset-based management fees. Fees typically range from 1.0% to 1.75% of the assets under management and are paid in advance on a quarterly basis. Clients with \$250,000 or more in assets under management are offered a standard retirement plan included at no additional cost.

We offer comprehensive financial planning and consulting services for individuals, families and small businesses. Fees range from \$500 to \$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.

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

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. Please make sure you understand what fees and costs you are paying.

For additional information about our fees, please visit our website at www.anchorbaycapital.com.

Conversation Starters – Ask your financial professional:

- ✓ 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?

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?

When we act as your investment adviser, we have to act in your best interest and not put our interest 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:

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.

Conversation Starters – Ask your financial professional:

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

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.

Do you or your financial professionals have legal or disciplinary history?

Yes. Visit Investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

Conversation Starters – Ask your financial professional:

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

Additional Information

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

Conversation Starters – Ask your financial professional:

- ✓ 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?