

Part 2A of Form ADV: Firm Brochure

March 30, 2022

**Anchor Capital Management, LLC.
Form ADV Part 2A Brochure**

Anchor Capital Management, LLC
1221 2nd Street
Marysville WA 98270
425-320-6837
Email tim@anchorcapitalmgmt.com

This Form ADV Part 2A brochure provides information about the qualifications and general business practices of Anchor Capital Management, LLC. Questions about this brochure and its contents can be directed to Timothy R. Walker at 425-320-6837, tim@anchorcapitalmgmt.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. Our CRD # is 305975 and additional information can be obtained on the SEC's website at www.adviserinfo.sec.gov. Being registered as an investment advisor does not imply any certain level of skill or training.

Material Changes (Item 2)

No material changes have been made to this brochure.

Item 3 Table of Contents

Item 2 Material Changes 1

Item 3 Table of Contents 2

Item 4 Advisory Business..... 3

Item 5 Fees and Other Compensation 6

Item 6 Performance –based Fees and Side-by-Side Management 8

Item 7 Types of Clients 8

Item 8 Methods of Analysis, Investment Strategies, and Risk of Loss 9

Item 9 Disciplinary Information 9

Item 10 Other Financial Industry Activities and Affiliations 9

**Item 11 Code of Ethics,
Participation or Interest in Client Transactions and Personal Trading** 10

Item 12 Brokerage Practices..... 10

Item 13 Review of Client Accounts..... 10

Item 14 Client Referrals and Other Compensation..... 10

Item 15 Custody..... 10

Item 16 Investment Discretion..... 10

Item 17 Voting Client Securities 11

Item 18 Financial Information..... 11

Item 19 Requirements for State-Registered Advisors 11

Item 4: Advisory Business

Timothy R. Walker an Investment Advisor Representative of the Investment Advisor Anchor Capital Management, LLC was approved for registration in the state of Washington in February, 2020. Mr. Walker is the firm's owner, President and compliance officer. This brochure refers to the company also as "us", "we", or "our." It refers to clients also as "you," "client" or "your." At times, in order to provide you with services, we work with a co-solicitor, WLFB, Inc. (CRD# 172296), another Washington state registered investment adviser. Please refer to item 5 for further details regarding this relationship.

Types of Advisory Services:

Anchor Capital Management is a Registered Investment Adviser that delegates investment management services to third party investment advisers. Anchor Capital Management and its Investment Advisor Representatives are the initial contact with the client assessing the individual needs of the client and recommending third party investment managers that complement those needs. Anchor Capital Management will build out the manager allocation plan for client assets hiring from two to four managers. Managers' fees are based solely on financial assets only – not total holdings.

We perform our services on a non-discretionary basis. A client authorizes us to delegate management to a third party only. Once delegated, as a supplement to the executed advisory agreement with Anchor Capital Management, the client executes a separate advisory agreement with the third party adviser.

Financial Planning – Anchor Capital Management provides financial planning only as a "value added service" - not as a stand-alone fee for service. Our financial planning will build out our Retirement Feasibility Studies for those clients that have hired us and third party investment advisers at no additional fee for this service.

Retirement Feasibility Study – Highlights of Activities

The initial phase involves accumulating and organizing facts about your current and desired financial status and identifying your specific goals and objectives. This will be accomplished through a series of interviews and the data-gathering questionnaire.

The next step involves analysis of the data accumulated and after a review of the results of the preliminary analysis and cash flows with you; we will begin performing detailed analysis of your specific financial circumstances.

Following the analysis and discussion with you, we will meet to review our preliminary recommendations. As a result of these meetings, we will prepare a written draft of your plan. We then will be able to finalize your plan and to set time goals and establish responsibilities for the implementation. We will prepare, in writing specific recommendations that will seek to address your financial goals. Where appropriate, we will include financial illustrations and projections for greater understanding of potential outcomes of financial alternatives. Anchor Capital Management feels that the areas with bullet points below are vital to the study.

- **Cash Flow Management**

Here the objective will be to assess how the family unit is managing its net after tax income. We analyze budgeting and savings methodology and then give advice regarding the use of recommended credit and proper debt loads. We examine marginal and effective tax brackets as well as tax reduction strategies that may be of benefit.

- **Estate Planning**

Anchor Capital Management is not a law firm, and therefore is not allowed to give legal advice. We are, however, highly skilled in detecting problems in legal plans and in current estate planning strategies. We can give the client a list of referrals to “tax and estate planning” specialists within the community. An Anchor Capital Management Financial Consultant will be available to accompany the client to the meeting to assist in laying out our concerns regarding the current estate plan. Our discussions will center on tax sensitive wills, powers of attorney, trusts and entity planning.

- **Risk Management**

Our objective will be to quantify, as best as possible, the proper amount and type of life and disability and long-term-care insurance the client should have. We will analyze and make recommendations regarding your current insurance policies. We will make comments regarding property and casualty insurance as well. In addition to being an Investment Advisor Representatives of Anchor Capital Management, Timothy Walker is also a licensed insurance producer. If you choose to implement his advice to purchase an insurance product through him as your insurance broker, Anchor Capital Management, LLC will receive compensation in the form of a sales commission from the insurance company. This insurance commission is separate from any fee you might pay to Anchor Capital Management, LLC. The prospective receipt of an insurance commission creates a financial incentive for the insurance producers to recommend you purchase an insurance product. This financial incentive creates a potential conflict of interest between you and the insurance producer where your interests might not be aligned with theirs.

- **Asset Allocation**

Our referral services do not directly include advice about specific investment securities. We can introduce clients who desire such advice to a pre-screened investment advisor with discretionary authority to manage a client’s portfolio. If you desire these services, you will enter into another written agreement regarding the ongoing management of your securities investments by that advisor for a fee that usually is a percent of assets under management.

- **Retirement Planning**

Anchor Capital Management has the ability to construct models that are designed to predict the probability of the client being able to be financially independent at a certain point in time. Anchor Capital Management and the client will agree upon budget expenses, estimated rates of return and inflation rates before the study is performed. Anchor Capital Management will also comment on proper beneficiary designations for all retirement assets.

Terms and Objectives

The primary objective of our engagement is to prepare a review of your personal financial situation. This review will emphasize your personal financial goals and objectives and will include strategies to attain them if possible. We will be relying upon your representations. The projections will be prepared from information you provide. They will not express any form of assurance on the achievability of the projections or reasonableness of the underlying assumptions. You are responsible for providing the prospective financial information to us and for communicating to us any significant information that might affect the ultimate realization of the projected results.

The suggestions and recommendations included in your financial plan will be advisory in nature, and we cannot guarantee the performance of any investment or insurance products which may be purchased to implement recommendations in your plan. A plan often also includes financial projections based on assumptions about future events. We cannot vouch for the achievability of such projections as the assumptions about future events may not be accurate.

Insurance recommendations developed as part of your financial plan or to implement the financial plan should be made by licensed insurance professionals you choose to engage. Anchor Capital Management is not responsible for the success or failure of any specific policy or insurance strategy recommended by other advisors.

Investment recommendations developed as part of your financial plan or to implement the financial plan should be made by registered investment advisers or other licensed investment advisers you choose to engage. Anchor Capital Management is not responsible for the success or failure of any specific investment recommended by other advisors.

We cannot be responsible for the independent acts, omissions, or solvency of any broker, agent, or independent contractor or other advisor selected consistent with Adviser's fiduciary duty to take any action to negotiate or consummate a transaction for your account. Our services are not designed and should not be relied upon as a substitute for your own business judgment, nor are they meant to mitigate the necessity of your personal review and analysis of a particular investment. We design our services to supplement your own planning analysis and aid you in fulfilling your financial objectives. In addition, these services cannot discover fraud, irregularities or misrepresentations made in materials provided to us concerning your potential investments or insurance coverages. Nothing in the advisory agreement waives any right the Client has under federal or state securities laws. Our advisory agreement is governed by the laws of the State of Washington.

Third party investment advisors (the "manager") – Anchor Capital Management enters into agreements with third party investment advisors who provide investment advice regarding the portfolio apportioned to their management style. From a reviewed universe of third party investment advisors, we will recommend selections and, if necessary, the replacement of, various managers. As a supplement to the executed advisory agreement with Anchor Capital Management, the client will execute a separate advisory agreement with the third party investment adviser. This agreement will govern the services provided by and fees paid to the third party adviser.

All third party investment advisors will meet with clients up to 4 times a year and at a minimum meet at least once annually. Anchor Capital Management LLC will be present at every meeting with the client and the third party investment advisor. Anchor Capital Management will monitor to ensure the investment strategy is aligned with clients' best interest.

Types of Investment Used in our practice – our managers choose their particular investment instruments. These include individual stocks, corporate and government bonds, exchange traded funds, no load mutual funds, and one manager that uses a variable insurance trust. Managers can also apportion some assets into so called “Alternative Investments” – real estate investment trusts, commodities, gold, and mutual funds that specialize in private equity.

Assets Under Management – as of this writing Anchor Capital Management, has no assets under management either discretionary or non-discretionary – it is our objective to have no discretionary assets nor assets under management.

Item 5: Fees and Other Compensation

All clients will pay a fee for asset management; the fee is a percentage of the assets being managed. Your specific fee arrangement will be stated in a written Investment Advisory Agreement you sign with Anchor Capital Management. We may charge fees on a negotiated basis and all clients may not pay the same fee – you are of course also free to “negotiate”.

The third party investment advisor will bill your stated annual fee in quarterly increments, in advance or arrears depending on the manager, and based on the value of the account at the end of the previous quarter. They deduct fees from your account in accordance with the agreement between you and the third party investment advisor.

If the third party investment advisor arranges with a custodian to deduct fees automatically from your investment account (only by your permission to do so), we will send you an invoice with the calculation of our portion (50%) of the fees billed to the account. When the management agreement not span an entire quarter, the fee is pro-rated, based on the number of days the account is open during the billing period. Our fees are paid directly by the third party investment advisor. Regardless of whether the third party investment advisor charges your fees in advance or in arrears, we receive our fee from the third party advisor in arrears. As such, our fees are non-refundable once paid.

All account custodians will send client statements at least quarterly; these will show disbursements from the account including advisory fees if deducted from the account – we must jointly review the statement to make sure the fee deducted is correct. You may terminate the Investment Advisory Agreement within 5 business days from execution without any fees being charged and without penalty. After this time period, you will be due a pro-rata fee refund of unearned fees billed in advance and either party can terminate the agreement at any time for any reason.

Anchor Capital Management receives compensation via agreements we have with independent third party investment advisors for providing services as regards the management of your assets.

The agreement you sign with the third party investment advisor will disclose the percentage of the fee being re-allowed to Anchor Capital Management and is typically 50% of the fee charged. Anchor Capital Management has no authority to deduct any fees from your account with the third party investment advisor. You will authorize the manager to bill the account at the agreed upon fee. Anchor Capital Management is paid 50% of the fee charged by the third party investment advisor. The majority of our managers bill fees quarterly in advance. One manager will bill in arrears. Fees are listed in the advisor's ADV Part 2A (Brochure) which you should review. We receive payment as long as you have a client relationship with the third party investment advisor.

1. The fees below are fee levels specifically negotiated based upon our solicitation relationships, and they vary from the fees typically charged by, and disclosed in the respective ADV of, the independent third party advisors.
2. The client has the right to work directly with the independent third party advisor(s) to receive advisory services.
3. Though the third party adviser may bill your fees in advance, Anchor Capital Management's fees are paid directly by the independent third party advisor(s) in arrears. As such, there will be no refund of Anchor Capital Management's fees. However, in instances where the third party adviser charges their fees in advance, any refund is governed by the ADV and Advisory Agreement between the client and the third party adviser. Such a refund would result in Anchor Capital Management being paid advisory fees only on the prorated amount of the fees paid to the third party adviser.

We currently work with the following managers and will recommend placement of these managers based on goals, risk tolerance and diversification.

Smart Portfolios (CRD# 131342) – The maximum fee is 1.5% and the minimum is .60%. These fees are charged quarterly in advance by the independent third party advisor, and they are based on the value of the assets under management on the last day of the preceding quarter. In the event of termination of the advisory relationship, the independent third party advisor will refund a pro-rated portion of the advisory fee based upon the number of days remaining in the quarter.

PLM Investment Advisors (CRD# 141399) – The maximum fee charged is 1.0% for 100% equities and balanced accounts and .50% for 100% fixed income. The minimum fee for equities and balanced accounts is .30% and .30% for 100% fixed income. These fees are charged quarterly in advance by the independent third party advisor, and they are based on the value of the assets under management on the last day of the preceding quarter. In the event of termination of the advisory relationship, the independent third party advisor will refund a pro-rated portion of the advisory fee based upon the number of days remaining in the quarter.

WealthMark LLC (CRD# 144948) – We have negotiated a maximum and minimum fee of 1%. These fees are charged quarterly in arrears by the independent third party advisor, and they are based on the value of the assets under management on the last day of the quarter. As fees are charged in arrears, in the event of termination of the advisory relationship, the independent third

party advisor will bill the client for a pro-rated advisory fee based on the number of days in the quarter in which advisory services were provided.

Fees may be negotiable at the manager's discretion.

Fixed Fees – We do not do fixed fee asset management nor financial planning.

When we refer a client to a third party money manager in conjunction with our co-solicitor, WLFB, Inc., each client will sign a contract with Anchor Capital Management LLC, a contract with WFLB INC. and a contract with one of the third party money managers. We disclose this relationship in each contract and the fee schedule is as follows:

AUM	Firm's Fee	Co-Solicitor's Fee	Third Party's Fee	Total Fee
All Assets Under Management	0.30%	0.30%	0.40%	1.00%

These fees are negotiable depending upon the needs of the client and complexity of the situation. Clients may terminate the contract without penalty and for full refund, within five business days of signing the contract. Thereafter, clients may terminate the contract with thirty days' written notice.

Other types of Fees and Expenses

Account custodians charge commissions to execute securities transactions – this is how they are paid – the manager will disclose trading costs for equity and debt securities. You may also pay electronic fund and wire transfer fees, account transfer fees, certificate delivery fees, transfer agent fees, returned check fees and overnight delivery fees.

Registered Investment Company Fees – are internal to mutual funds. Should the third party investment manager choose to use these vehicles to construct their portfolios, you will be subject to these charges. These fees will affect the net asset value of the fund and are indirectly borne by you as a fund shareholder. The funds selected do not charge "12b-1" administration fees; they are all no-load mutual funds. Other internal fund fees can include distribution and possible redemption fees. The fund Prospectus and Statement of Additional information for each fund company MUST disclose all fees. You can get a prospectus through the investment company website or by telephone.

Commission Based Compensation - Anchor Capital Management does not receive commission based compensation.

Additional Compensation – Timothy Walker is a licensed insurance producer in the State of Washington. He may recommend that you purchase a life, disability or long term care policy and would receive a commission for the sale of the product. You should know that this can be a potential conflict of interest that needs be disclosed to you prior to the application for insurance.

Item 6: Performance –based Fees and Side-by-Side Management

Anchor Capital Management LLC does not charge performance-based fees, nor do we participate in side-by-side management.

Item 7: Types of Clients

We provide advice to individuals, trusts, closely held businesses and pension plans. We have no minimum account size.

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

This section details how Anchor Capital Management will build out client portfolios and supervise the third party investment advisors.

Portfolios are designed to meet client objectives – income, growth and diversification are key components. We hire a single manager or multiple managers for the client dictated by manager account minimums.

You must of course form your own opinion and decide whether or not to hire the manager or managers recommended. Anchor Capital Management has personally known our managers from 1.5 to 10 years. We have reviewed all ADV Forms 1 and 2 checking for violations and disciplinary information.

Managers Strategies: Some of our managers offer more than one investment strategy – e.g. equity – balanced – growth or value tilt. Please refer to each manager’s Brochure for a discussion of the methods of investment analysis and description of strategies.

What are the Risks? – Your main risk is the loss of your invested capital. You the client must be prepared to bear that risk. The objective is to mitigate risk as best we can by diversification of management styles. We strive to use managers whose styles will not be highly “correlated”.

Item 9: Disciplinary Information

Neither Anchor Capital Management nor its owner Timothy Walker has been involved in any civil or criminal investment-related events. There have also been no administrative proceedings before the SEC, any federal regulatory agency, or any foreign financial regulatory body.

Item 10: Other Financial Industry Activities and Affiliations –

as disclosed in (Item 5) Timothy Walker is a licensed insurance producer in the State of Washington for life, health and long term care insurance and is thereby able to vend these products and is paid a commission by the insuring company. This ability creates an inherent conflict of interest that needs be disclosed to any advisory client wishing Mr. Walker to “sell and be paid for these products” Full and fair disclosure is always made in writing as regards this conflict. You are welcome to elect “not” to use Mr. Walker as an insurance producer per the written disclosures.

Anchor Capital Management may direct clients to third party investment advisers. Anchor Capital Management will be compensated via a fee share from the advisors to which it directs those clients. This relationship will be disclosed in each contract between Anchor Capital Management and each third party investment advisor. The fees shared will not exceed any limit imposed by any regulatory agency. This creates a conflict of interest in that Anchor Capital Management has an incentive to direct clients to the third party investment advisers that provide Anchor Capital Management with a larger fee split. Anchor Capital Management will always act in the best interests of the client, including when determining which third party investment advisor to recommend to clients. Anchor Capital Management will ensure that all recommended advisors or managers are licensed or notice filed in the states in which Anchor Capital Management is recommending them to clients.

Item 11: Code of Ethics

Participation or Interest in Client Transactions and Personal Trading

We have adopted a code of ethics designed to prevent and detect violations of securities rules by our employees and any affiliated persons. Our controls in this area focus upon securities transactions made by our employees that have access to third party investment advisor research. We will provide a copy of the code of ethics to clients or prospective clients upon request.

Item 12: Brokerage Practices

Anchor Capital Management does not recommend or suggest any particular broker-dealers for client transactions nor do we receive any research or soft dollar benefits from any broker dealer.

Item 13: Review of Client Accounts

Timothy R. Walker, the firm's President, reviews all account reports and performances at least each quarter for consistency of investment strategy.

Item 14: Client Referrals and Other Compensation

The Anchor Capital Management business model is to hire third party investment advisers for client accounts. We will provide selection and if necessary replacement services as regards the managers. Managers selected re-allow 50% of their management fee to Anchor Capital Management for its client relationship services. The third party investment advisers will disclose to you the amount of the fee to be charged. Manager fees are different, some being higher. This presents an inherent conflict of interest; is Anchor Capital Management could have incentive to recommend a manager who charges a higher fee, hence increasing the compensation of Anchor Capital Management. We do not directly or indirectly compensate any person who is not a supervised person for client referrals.

Wrap fee arrangements. The agreements with the managers are not considered wrap fee arrangements

Item 15: Custody

Anchor Capital Management does not take custody of client accounts, nor do we have access to your accounts to withdraw funds directly. Adviser's fees are paid directly by the third party investment adviser responsible for management of your assets.

Item 16: Investment Discretion

Anchor Capital Management does not have investment discretion over client accounts. Our clients execute separate advisory agreements with the referred third party investment adviser investment advisers. As part of that agreement, the third party investment adviser is granted discretion by the client.

Item 17: Voting Client Securities

Anchor Capital Management will not vote proxies nor does it have any authority granted to do so.

Item 18: Financial Information

Anchor Capital Management does not require the payment of investment advisory fees of greater than \$500 six months or more in advance. There are no circumstances wherein we would be impaired from meeting our contractual commitments.

Item 19: Requirements for State-Registered Advisors

Timothy R. Walker, CRD 6867816, is our firm's sole owner. Clients may contact him at tim@anchorcapitalmgmt.com.

Educational Background

Tim graduated with a Bachelor's degree in Psychology from Troy University in 2004 and a Bachelor's degree in Business Administration from Columbia College in 2007. He obtained a Master's of Business Administration (MBA) from the University of the Incarnate Word in 2016.

Business Experience

Anchor Capital Management, LLC –2019 to Present – Owner, Financial Planning Consultant, Financial Advisor

AXA Advisers – 2017 – 2019 – Financial Advisor

United States Navy – 2007 – 2017 – Human Resources Senior Manager

United States Navy – 1994 – 2007 – Cryogenics Mechanic

Disciplinary Information

Mr. Walker has no legal or disciplinary events related to the financial services industry or has been the subject of a bankruptcy petition.

Other Business Activities

Mr. Walker does provide advice about matters other than securities. He is a licensed insurance producer in the State of Washington and does make recommendations to purchase life, disability and long term care insurance. Clients should be aware that these services pay a commission and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. Anchor Capital Management, Inc. always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to utilize the services of any representative of Anchor Capital Management, Inc. in such individual's outside capacities.

Additional Compensation

Mr. Walker's primary compensation comes in the form of salary from Anchor Capital Management based upon the company's share of the third party investment adviser fees collected each quarter.

As a licensed insurance producer Anchor Capital Management will also generate insurance commissions which add to Mr. Walker's compensation from the company. Insurance commissions vary based upon the product. Tim does have an incentive to recommend that you the client purchase insurance products from him through Anchor Capital Management, LLC. This financial incentive creates a potential conflict of interest between you, Tim and Anchor Capital Management. Mark spends approximately 20% of his time providing insurance services.

Supervision

Anchor Capital Management is a small investment advisor. Our size limits traditional internal controls. We maintain records that are intended to demonstrate our compliance with securities laws, rules and our policies. Mr. Walker's trading activities for his proprietary accounts will be recorded and made available for review.