



**ADV FORM**  
**(Uniform Application for Investment Adviser Registration)**  
**PART 2**  
**(Uniform Requirements for the Investment Adviser Brochure and Brochure Supplements)**

**COMPLIANCE BROCHURE**  
**(Updated September 18 2017)**

This brochure provides information about the qualifications and business practices of Timothy C. Hucks and Rising Tide, Inc. Additional information about Mr. Hucks also is available on the Securities and Exchange Commission (SEC) website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). If you have any questions about the contents of this brochure, please contact Mr. Hucks at (919) 968-8675 or [tim@risingtideinc.com](mailto:tim@risingtideinc.com).

On July 28, 2010, the SEC issued a new rule requiring advisers to provide specific disclosures about their business and their personnel in a simple brochure written in plain English.

DISCLAIMER: This brochure has not been approved or verified by the Securities and Exchange Commission or any state securities authority. The terms “registered” or “registered investment adviser” do not imply a certain level of skill or training.

**1. Cover Page**

**Rising Tide, Inc.** (IARD/CRD # 118516) is an investment adviser registered with the State of North Carolina. Founded in 1993, the business has served hundreds of clients with millions of dollars in investment and insurance products. Rising Tide, Inc. was incorporated as a business under the laws of the State of North Carolina on April 28, 1999. Articles of incorporation are available upon request.

- **Rising Tide, Inc., 7312 Crescent Ridge Drive, Chapel Hill, NC 27517 / Tel: (919) 968-8675 / Fax: (919) 933-1862 / [www.risingtideinc.com](http://www.risingtideinc.com) / [tim@risingtideinc.com](mailto:tim@risingtideinc.com)**

**Timothy C. Hucks** (CRD # 1023012) is the President of Rising Tide, Inc. and is one of two investment adviser representatives registered with the State of North Carolina. Currently he is the only individual who will provide investment advice for clients of Rising Tide, Inc. He has worked in this industry for more than 30 years, holds the designation of Certified Estate Planner®, and earned undergraduate and master’s degrees from the University of North Carolina.

Mr. Hucks is also a registered representative with **Capital Investment Group, Inc.**, which serves as Broker/Dealer offering securities as a member of the **Financial Industry Regulatory Authority (FINRA)** and the **Securities Investor Protection Corporation (SIPC)**. Dual registration may present a conflict of interest.

- **Capital Investment Group, Inc., 17 Glenwood Avenue, Raleigh, NC 27603 / Tel: (919) 831-2370 / [www.capitalinvest.com](http://www.capitalinvest.com)**

- FINRA, 1735 K Street, Washington, DC 20006 / Tel: (301) 590-6500, [www.finra.org](http://www.finra.org). Visit this website for a detailed report on Timothy Craig Hucks, CRD #1023012.
- SIPC, 805 15th Street, N.W., Suite 800, Washington, DC 20005 / Tel: (202) 371-8300 / [www.sipc.org](http://www.sipc.org)

## **2. Material Changes**

In July 2014, F. Michael Thomas was added as an investment adviser representative for Rising Tide, Inc. Mr. Thomas may solicit business on behalf of Rising Tide, Inc., but has no other involvement in business practices, investment style or assets under management.

Quarterly performance reporting has been discontinued. A potential conflict of interest regarding an outside business activity with Altura Advisors, LLC has been disclosed. Specifics of Financial Planning agreements have been added.

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#### **4. Advisory Business**

Specifically, approximately 95 percent of advisory business provided by Rising Tide, Inc. can be described as investment supervisory services, and the remaining five percent on matters not involving securities.

- **Financial Planning for Individuals** – Tax-wise college funding, retirement planning and options, tax-advantaged income, tax-deferred growth, major purchase scenarios, risk evaluation and liquidity needs.
- **Financial Planning for Businesses** – Qualified retirement plans, tax-advantaged executive benefits, health savings accounts, liquid business accounts, buy/ sell agreements and funding, succession planning and business valuation.
- **Estate Planning** – Estate valuations, gifting plans, charitable planning, tax strategies, considerations regarding wills, trusts and personal directives. We are not attorneys and do not draw legal documents, but Rising Tide, Inc. can provide clients with a list of CPAs and attorneys.
- **Investment Management** – Focusing on asset management by objective, portfolios with optimum risk/reward characteristics based on clients’ needs, mutual funds, individual stocks, corporate and municipal bonds, and real estate investment trusts.

#### **5. Fees and Compensation**

Rising Tide, Inc. is primarily a fee-based advisory firm. This independence allows for objective and unbiased advice, which we believe is absolutely essential to providing financial management services with integrity.

Rising Tide, Inc. may recommend no-load, load-waived or fee-transaction mutual funds; it may also use individual securities such as stocks, bonds, ETFs and unit investment trusts. Occasionally, Timothy C. Hucks will broker commission products such as variable annuities, variable life insurance and load mutual funds if the products meet a specific need of the client. Such commission products may create a “conflict of interest” and should be evaluated carefully.

But the vast majority of revenue (i.e., 95%) is earned as a percentage of assets under management. In other words, the more the assets grow for the individual investor, the more Rising Tide, Inc. earns. Conversely, if an individual investor’s assets decline in value, so does the revenue received by Rising Tide, Inc. This is the primary benefit of independent, fee-based advice – as the individual investor benefits, so does the adviser, and vice versa.

The basic annual fee schedule is based on client assets under contract management as follows:

- 1.00% of the first \$249,999;
- 0.75% from \$250,000-\$499,999;

- 0.50% from \$500,000-\$2,999,999; and
- 0.25% in excess of \$3,000,000.

Billing is at each calendar quarter in arrears; that means you are billed four times a year at the end of each quarter, after services have been provided, not at the beginning. New accounts are billed pro-rata based on account opening date; in other words, if you opened an account on March 1, you would be billed based on a one-month period, not the entire first quarter.

You will be notified with a quarterly statement of your quarterly fee no later than the time the fee is automatically deducted from your account. You are always encouraged to verify that the fee charged is accurate, and to alert Mr. Hucks if ever there is a misunderstanding of any kind.

Fees may be negotiated depending upon services provided. Asset management service has a minimum annual fee of \$400 per client. Clients may terminate investment adviser contracts at any time with five business days' written notice. No refund policy is necessary since all charges are in arrears after service is provided.

Rising Tide, Inc. also provides financial planning services including but not limited to: retirement planning, college funding, insurance and estate analysis. **These services are billed at an hourly rate of \$150.** Each client will enter into a financial planning contract by engagement letter. The letter will indicate services to be provided, the fee for the services, the estimated date of service delivery and client authorization by signature. The client is free to implement any recommendations through any source he/she deems appropriate, and retains final discretion over financial product purchases.

## **6. Performance-Based Fees and Side-By-Side Management**

Rising Tide, Inc. has neither performance-based fees nor "side-by-side" management. Performance-based fees are based on setting targets and agreeing on incentive compensation. Side-by-side management refers to situations where the same fund manager simultaneously manages mutual funds and hedge funds.

## **7. Types of Clients**

Rising Tide, Inc.:

- Generally provides investment advice to individuals; pension and profit sharing plans; trusts, estates and charitable organizations; and corporations or business entities.
- Specializes in working with university faculty and staff. Rising Tide is authorized to provide investment management services for TIAA-CREF and Fidelity Investments, specifically for the University of North Carolina system Optional Retirement Program (ORP) and 403-B voluntary assets. Charles Schwab and Company, Inc. also serves as custodian for many client assets. Rising Tide is neither directly affiliated with any university, nor compensated by any university vendor.

## **8. Methods of Analysis, Investment Strategies and Risk of Loss**

Rising Tide, Inc. uses an asset allocation model based on risk, reward and time frame analysis. Security analysis methods include charting, fundamental, technical and cyclical.

The main sources of information for investment analysis include financial newspapers and magazines; inspections of corporate activities; research materials prepared by others; timing services; annual reports, prospectuses and SEC filings; and company press releases.

Investment strategies used to implement any investment advice given to clients include long-term purchases (securities held at least one year); short-term purchases (securities sold within a year); short sales; and margin transactions.

## **9. Disciplinary Information**

Neither Timothy C. Hucks, F. Michael Thomas, nor Rising Tide, Inc. has ever been the subject of formal investigations and disciplinary actions initiated by regulators, customer disputes, certain criminal charges and/or convictions, as well as financial disclosures, such as bankruptcies and unpaid judgments or liens.

## **10. Other Financial Industry Activities and Affiliations**

Mr. Hucks undergoes continuing education requirements under the supervision of four industry organizations:

- As an investment adviser representative registered with the Securities Division, Department of the Secretary of State, State of North Carolina.
- As a Certified Estate Planner® with the National Institute of Certified Estate Planners (NICEP). [www.nicep.org](http://www.nicep.org)
- As a General Securities Principal and Representative with the Financial Industry Regulatory Authority (FINRA). [www.finra.org](http://www.finra.org)
- As an agent for life, health, annuity and long-term care insurance with the N.C. Department of Insurance. [www.ncdoi.com](http://www.ncdoi.com)

Mr. Hucks is a member and co-manager of Altura Advisors, LLC, an NC Limited Liability Company whose principal office location is 150 Fayetteville Street, Suite 2300, Raleigh, NC 27601. The purpose and business of Altura Advisors, LLC is to provide advice to nonprofit, charitable foundations and individuals regarding financial matters of philanthropic intent. Members of Altura Advisors, LLC may recommend services to prospective clients that may be fulfilled by other entities with which they may have ongoing relationships. As a result of such advisory services, there is a potential conflict of interest, which will be fully disclosed to prospects and clients.

## **11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

Mr. Hucks strictly adheres to the SEC's Investment Advisers **Code of Ethics** rules regarding five specific areas of concern – Personal Trading, Holdings Report Filings, Report Filing Exceptions, Initial Public Offerings and Non-Public Information. Simply put, these codes are followed in order to:

- Prevent conflicts of interest,
- Promote transparency,
- Mandate full disclosure, and
- Encourage ethical behavior in every aspect of operations.

More specifically, per the Rising Tide, Inc. **Mission Statement**:

- Our success depends completely on our relationship with you.
- We are dedicated to providing honest and quality financial services for university faculty and staff, individuals and families, professionals and small businesses.
- We promise to develop a clear understanding of your personal and financial goals with complete respect for your risk tolerance.
- We will implement and monitor plans and strategies aligned with your stated goals.
- Although no guarantee, your financial success is our ultimate measure.

Regarding **interest in client transactions**, when so requested by the client, Mr. Hucks may execute securities sales in his capacity as an investment adviser representative of Capital Investment Group, Inc. Generally, product sales for Commission will not be involved under an Investment Advisory Agreement. All potential conflicts of interest are disclosed and brokerage services may be affected from any source at the client's discretion.

Regarding **personal trading**, Mr. Hucks may own mutual funds, stocks, bonds or other investment or insurance instruments also owned by clients of Rising Tide, Inc. No front running on stock purchases is allowed and full disclosure is made to any affected client.

## **12. Brokerage Practices**

Rising Tide, Inc. reserves the right to impose a minimum annual fee (currently \$400).

## **13. Review of Accounts**

All accounts are reviewed quarterly and monitored on a regular basis. Specific account reviews may be more frequent if market conditions dictate. Mr. Hucks performs all reviews for all accounts based on client needs, risk tolerance and market/investment conditions.

All clients receive monthly or quarterly statements from the custodian (e.g., Charles Schwab, Fidelity, TIAA-CREF).

## **14. Client Referrals and Other Compensation**

Mr. Hucks prefers to recommend Charles Schwab & Co., Inc. for low trading cost, no transaction fee mutual funds, no load funds and excellent back office support for client accounts. Neither Rising Tide,

Inc. nor Mr. Hucks are paid any commissions or service fees from Charles Schwab. University retirement accounts are managed through Fidelity Investments or TIAA-CREF.

Mr. Hucks and Rising Tide, Inc. may enter into agreements with solicitors who refer clients to the advisor. Such persons may be paid a percentage of specific client fees received. Payment is subject to a solicitor agreement and is disclosed on the client's investment management contract. There is currently one such agreements active, with Mr. F. Michael Thomas.

### **15. Custody**

**Charles Schwab and Company, Inc.** serves as custodian for most client assets of Rising Tide, Inc. Contact Charles Schwab and Company, Inc. at (866) 855-9102 or [www.schwab.com](http://www.schwab.com).

Other custodians of client assets include **Fidelity Investments**, at (800) 343-3548 or [www.fidelity.com](http://www.fidelity.com); **Scottrade Advisory Services**, at (877) 726-8741 or [www.scottrade.com](http://www.scottrade.com); and **TIAA-CREF**, at (800) 842-2252 or [www.tiaa-cref.org](http://www.tiaa-cref.org).

Neither Mr. Hucks nor Rising Tide, Inc. maintains custody of any funds whatsoever.

### **16. Investment Discretion**

Investment discretion means the sole or shared authority to determine securities to be bought or sold, amount of the securities to be bought or sold, and broker or dealer to be used and commission rates paid on behalf of a client.

Rising Tide, Inc. may have prior, written client authorization to execute purchases and sales of securities on clients' behalf without consulting client regarding each sale or purchase.

### **17. Voting Client Securities**

Rising Tide, Inc. will not vote in proxy for clients, but Mr. Hucks is available for consultation on proxy votes.

### **18. Financial Information**

Neither Mr. Hucks nor Rising Tide, Inc. has custody of client funds or securities, or require prepayment of any kind.

### **19. Requirements for State-Registered Advisers**

Any and all information required by the State of North Carolina is already included elsewhere in this brochure. If you have any questions about this brochure or its contents, please do not hesitate to contact me or any of the organizations listed.

**PART 2B of FORM ADV – BROCHURE SUPPLEMENT  
(Updated January 2016)**

**1. Cover Page**

**Timothy C. Hucks**, investment adviser representative (CRD # 1023012)  
Rising Tide, Inc., investment adviser, (IARD/CRD # 118516)  
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Tel: (919) 968-8675  
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Website: [www.risingtideinc.com](http://www.risingtideinc.com)  
Email: [tim@risingtideinc.com](mailto:tim@risingtideinc.com)

**F. Michael Thomas**, investment adviser representative (CRD # 4015380)  
Capital Investment Group, Inc., investment adviser, (IARD/CRD #14752)  
Suite 103, 624 Matthews Mint Hill Road, Matthews, NC 28105  
Tel: (704) 814-6063  
Fax: (704) 814-6073  
Website: [www.capital-invest.com](http://www.capital-invest.com)  
Email: [mthomas@capital-invest.com](mailto:mthomas@capital-invest.com)

This brochure supplement provides information about Timothy C. Hucks and F. Michael Thomas that supplements the Rising Tide, Inc. ADV Part 2 Compliance Brochure. You should have received a copy of that brochure. Please contact Timothy C. Hucks if you did not receive Rising Tide, Inc.'s brochure or if you have any questions about the contents of this supplement. Additional information about Timothy C. Hucks and F. Michael Thomas is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).



## **2. Educational Background and Business Experience**

### **Timothy C. Hucks**

DOB: July 30, 1953  
Education: Certified Estate Planner, 2007  
College of Financial Planning, Denver, CO, 1985  
MEd (Counseling), University of North Carolina-Chapel Hill, 1978  
BA (Psychology), University of North Carolina-Chapel Hill, 1975  
Business Experience: President, Rising Tide, Inc., April 1993-Present  
Broker, Capital Investment Group, March 1993-Present  
IAR, Infinet Advisory, Inc., Inc., May 1990-March 1993  
Registered Representative, Baron Financial, Inc., August 1985-May 1990  
Registered Representative, John Hancock Co., June 1981-August 1985  
Registration History: Capital Investment Group, CRD # 14752, April 1993-Present  
Programmed Equities Corp., CRD # 21778, April 1992-April 1993  
Securities Service Network, Inc., CRD #13318, June 1990-April 1992  
PML Securities Co., CRD # 4082, December 1986-June 1990  
Lowry Financial Services Corp., CRD # 7291, August 1985-November 1986  
John Hancock Distributors, Inc., CRD # 468, March 1982-August 1985  
Broker Qualifications: General Securities Principal, Series 24, March 3, 1995  
Uniform Investment Adviser (N.C.), Series 65, May 21, 1991  
Investment Products/Variable Contracts Rep., Series 6, July 19, 1986  
General Securities Representative, Series 7, July 19, 1986  
Direct Participation Programs Rep., Series 22, July 26, 1983  
Uniform Securities Agent (N.C.), Series 63, May 14, 1982

### **F. Michael Thomas**

DOB: December 4, 1942  
Education: University of North Carolina @ Charlotte  
Business Experience: Financial services industry since 1976  
F. Michael Thomas & Associates since 1981  
Cameron Harris Benefits Co., Inc., 1986-91  
Capital Investment Group, Inc., 1999-present  
Sentry Consulting, Inc., 1999-2014  
Rising Tide, Inc., 2014-present  
Registration History: Capital Investment Group, Inc., CRD #14752, 1999-present  
Broker Qualifications: General Securities Representative, Series 6, November 11, 1999  
Uniform Combined State Law Exam, Series 66, December 23, 1999

### **3. Disciplinary Information**

Neither Timothy C. Hucks, F. Michael Thomas, nor Rising Tide, Inc. has ever been involved in any legal or disciplinary events.

### **4. Other Business Activities**

1. Investment advisory service and sales through Rising Tide, Inc.
2. Insurance service and sales as Timothy C. Hucks and/or F. Michael Thomas.
3. Altura Advisors, LLC is a consulting firm that works with nonprofit organizations in strategic planning, planned giving, tax issues and asset management.

### **5. Additional Compensation**

Nobody is who is not a *client* provides an economic benefit to the *supervised person* for providing advisory services.

### **6. Supervision**

While independent contractors are sometimes employed for administrative and/or marketing activities, Timothy C. Hucks is the sole employee providing advisory activities on behalf of Rising Tide, Inc.

### **7. Requirement for State-Registered Advisers**

Neither Timothy C. Hucks, F. Michael Thomas, nor Rising Tide, Inc., has ever been found liable in an arbitration claim, a civil or administrative proceeding or bankruptcy.