

**Part 2A of Form ADV: *Firm Brochure***

**TIDEROCK FINANCIAL, LLC**

9900 Research Drive  
Irvine, California 92618

Telephone: (949) 215-4872

Facsimile: (949) 485-6684

E-mail: [simon@tiderockfinancial.com](mailto:simon@tiderockfinancial.com)

Web Address: [www.tiderockfinancial.com](http://www.tiderockfinancial.com)

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**This brochure provides information about the qualifications and business practices of TideRock Financial, LLC (hereinafter “TideRock” or “firm” or “we”). If you have any questions about the contents of this brochure, please contact us at (949) 215-4872 or at [simon@tiderockfinancial.com](mailto:simon@tiderockfinancial.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.**

**Additional information about TideRock is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for TideRock is 155622.**

**Item 2.           Summary of Material Changes**

TideRock Financial's firm brochure (ADV Part 2A) was last amended on March 26, 2021.

There have been no material changes made to this brochure since its last update, which occurred on March 26, 2021.

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

TideRock Financial is an investment advisor with its principal place of business located in Aliso Viejo, California. TideRock was formed in September, 2010 and Simon Reeves is the sole owner and managing member.

##### Portfolio Management Services

TideRock manages client accounts using model asset allocation portfolios. Each model portfolio is designed to meet a particular investment goal. TideRock will manage these accounts on a discretionary basis. Account supervision is guided by the objectives of the client (i.e., maximum capital appreciation, growth, income, or growth and income).

Through personal discussions with the client in which the client's goals and objectives are established, TideRock will determine which model portfolio is suitable to the client's circumstances. Once the appropriate portfolio has been determined, the portfolio will be managed based on the portfolio's goal, rather than on each client's individual needs. Clients, nevertheless, will have the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. Clients will retain individual ownership of all securities.

In order to ensure that TideRock's initial determination of an appropriate portfolio remains suitable and that the client's account continues to be managed in a manner suitable to the client's financial circumstances, TideRock will maintain client suitability information in the client's file. On an annual basis, TideRock will notify its clients whose accounts are managed on a discretionary basis to request updated information regarding the client's financial situation and investment objectives and whether the client wishes to impose or modify existing investment restrictions. In addition, TideRock will contact clients, whose accounts are managed on a discretionary basis, at least annually to determine whether there have been any changes in the client's financial situation and whether the client wishes to impose investment restrictions or modify existing restrictions.

TideRock will monitor accounts at least quarterly and rebalance these accounts as needed. If TideRock believes that a particular investment is performing inadequately, or if TideRock believes that a different investment is more suitable for the portfolio's goal, then TideRock will reallocate or reinvest the client's assets in accordance with the discretionary authority granted by the client.

##### Financial Planning Services

TideRock also offers Financial Planning services to existing portfolio management clients at no extra charge. Clients choosing this service, in addition to the portfolio management services, will receive a written report, providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives.

In general, the financial plan will address any or all of the following areas of concern:

- **PERSONAL:** Family records, budgeting, personal liability, estate information and financial goals.
- **EDUCATION:** Education IRAs, financial aid, state savings and 529 plans, grants and general assistance in preparing to meet dependent's continuing educational needs through development of an education plan.
- **TAX & CASH FLOW:** Income tax and spending analysis and planning for past, current and future years. TideRock will illustrate the impact of various investments on a client's current income tax and future tax liability.
- **DEATH & DISABILITY:** Cash needs at death, income needs of surviving dependents, estate planning and disability income analysis.
- **RETIREMENT:** Analysis of current strategies and investment plans to help the client achieve his or her retirement goals.
- **INVESTMENTS:** Analysis of investment alternatives and their effect on a client's portfolio.

TideRock gathers required information through in-depth personal interviews. Information gathered includes a client's current financial status, future goals and attitudes towards risk. Related documents supplied by the client are carefully reviewed, including a questionnaire completed by the client, and a written report is prepared. Should a client choose to implement the recommendations contained in the plan, TideRock suggests the client work closely with his/her attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion.

Financial Planning recommendations are not limited to any specific product or service offered by a broker dealer or insurance company. All recommendations are of a generic nature.

### Consulting Services

TideRock offers consultation services regarding specific investment and financial matters pertinent to each of its clients. These matters may include advice on isolated areas(s) of concern that go beyond the framework of portfolio management and financial planning.

### Trustee Services

TideRock offers trustee services for irrevocable trusts, including distribution management services and asset management services.

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

The annual fee for portfolio management services will be charged as a percentage of assets under management, according to the following schedule:

<u>Assets Under Advisement (\$)</u>	<u>Annual Fee (%)</u>
Up to \$1,500,000	1.15%
\$1,500,000 up to \$3,000,000	0.90%
\$3,000,000 up to \$6,000,000	0.80%
\$6,000,000 up to \$10,000,000	0.65%
Over \$10,000,000	0.50%

TideRock will quote an exact percentage to each client based on both the nature and total dollar value of that account.

A minimum of \$1,000,000 of assets under management is required for this service. Fees and account minimums for all services may be negotiable based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.). Discounts, not generally available to our advisory clients, may be offered to family members and friends.

### Consulting Services

Our fees for consulting services are based upon an hourly rate of \$500 per hour with a minimum of two and half hours per consulting service. TideRock reserves the right to waive this fee in certain circumstances.

### Trustee Services for Irrevocable Trusts

#### **Distribution Trustee Service Fee**

Distribution Management Services provided by TideRock Financial will include, but are not limited to, the following:

- Distributions in accordance with trust provisions
- If applicable, values based discretionary distributions
- Comprehensive quarterly meetings with beneficiaries
- Working in accordance with the corporate trustee
- Fiduciary accounting and recordkeeping
- Asset reporting and statements of account activity
- Corporate action services, if applicable

The fee for Distribution Trustee Services is based upon the market value of the assets held in the client's account. It is subject to an annual minimum fee of \$15,000 plus .50% of assets. The minimum account value of a testamentary trust that TideRock would agree to be a future distribution trustee for would be \$10 million and would entail an extensive interview process regarding any future values based discretionary distributions.

The Account Distribution Trustee Services fee is collected quarterly in advance and is calculated on the market value of the assets held in the account at the end of the prior month. Preparation and filing of tax returns is subject to charges reflecting the time, effort and responsibility required if not performed by the corporate trustee. Potential costs from disputes regarding discretionary distributions, where TideRock may require legal counsel, will be borne by the trust.

In case of termination, in whole or in part, a reasonable charge based upon TideRock's duties and expenses may be charged based on a pro-rata fee, an hourly charge of \$500 per hour, or other mutually agreed upon amount.

#### Asset Management Trustee Services

##### **Product Level Fees**

In addition to the Distribution Trustee Services fee, if TideRock is engaged in managing the assets of an irrevocable trust then quarterly fees for asset management will apply as is delineated in Item 5 "Fees and Compensation" plus \$15,000 annually. TideRock will be responsible for:

- Fiduciary asset allocation analysis
- Manager research and due diligence
- Program evaluation, monitoring and rebalancing at the account level

Individual investments are subject to product level fees. Products may include internally and externally managed separate investment accounts and various types of internally and externally managed commingled investment funds. Product level fees will vary depending on the products in which the client's assets are invested.

- Mutual fund fees and expenses
- External investment managers
- Alternative investment products including, but not limited to, hedge funds and private equity funds as disclosed in the applicable private placement memorandum or other applicable disclosure documents.

##### **Specialized Asset Services**

Accounts that hold real estate (including, without limitation, farm and ranch properties), oil, gas and mineral assets, and closely held or family business assets are subject to TideRock Financial's hourly consulting rate of \$500 an hour. All fees for special services are charged in addition to the Asset Management Trustee Services fee.

### **Extraordinary Services**

Fees for extraordinary services are charged in an amount commensurate with the services rendered and are not duplicative of other fees. These services may include, but are not limited to:

- Specialized investment services
- Due diligence
- Duties occasioned by death
- Third-party valuation services for non-marketable assets

### **Fee Disclosures and Conditions**

Your statement of account will disclose all Distribution and Asset Management Trustee Services fees, as well as fees, if applicable for external investment managers, specialized asset services, extraordinary services and tax preparation. The applicable prospectus, private placement memorandum or other applicable disclosure document for third-party investment products and/or will disclose all product level fees and expenses related to those investments.

### **Insurance Services**

TideRock may also provide advice regarding insurance products, such as variable and fixed annuities, life insurance and disability insurance, and such advice should not be considered to be investment advice provided by the firm. TideRock does not assess an investment advisory fee for advice regarding insurance; however, clients who purchase insurance products through the firm will pay the normal fees and expenses associated with the insurance products. Certain of TideRock's associated persons are licensed insurance agents. As such, those individuals receive compensation from the sale of the insurance products to clients. Clients do not have an obligation to implement any recommendations provided by TideRock.

Pursuant to California Rule 260.235.2, if a conflict exists between the interests of TideRock or its associated persons and the interest of the client, the client is under no obligation to act upon TideRock's or associated person's recommendations; if the client elects to act on any of the recommendations, the client is under no obligation to effect the transaction through TideRock, or associated person when the person is an agent with a licensed broker-dealer or through any associate or affiliate of such person.

### **Fees in General**

TideRock's fee for portfolio management services will be billed to the client, in advance, at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value), of the client's account at the end of the previous quarter. For all accounts, fees are prorated for all capital flows that occur during the quarter.

TideRock may directly debit advisory fees from the client account if the following conditions are met:

1. The client provides written authorization permitting the advisor's fees to be paid directly from the client's account held by an independent custodian.



2. The advisor sends a Fee Statement to the client and the custodian at the same time. The client's Fee Statement will show the amount of the advisory fee and how it was calculated, while the custodian's Fee Statement will only show the amount of the advisory fee.
3. The advisor informs the client that it is the client's responsibility to verify the accuracy of the fee calculation and that the custodian will not determine whether the fee is properly calculated.
4. The custodian agrees to send to the client a statement, at least quarterly, indicating all amounts disbursed from the account including the amount of advisory fees paid directly to the advisor.

Subsection (j) of Rule 260.238, California Code of Regulations requires that all investment advisors disclose to their advisory clients that lower fees for comparable services may be available from other sources.

#### Account Termination

Clients will have a period of five (5) business days from the date of signing the Advisory agreement to unconditionally rescind the agreement and receive a full refund of all fees. Thereafter, the client may terminate the agreement by providing us with a 30-day written notice at our principal place of business. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

#### Mutual Fund Fees and Expenses

All fees paid to our firm for portfolio management services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. A client could invest in a mutual fund directly, without the services of our firm. In that case, the client would not receive the services provided by us which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees charged by us to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

#### Brokerage and Custodian Fees

In addition to portfolio management fees paid to our firm, clients will also be responsible for all transaction, brokerage, and custodian fees incurred as part of their account management.

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

We do not charge any fees based on a share of capital gains on or capital appreciation of the assets of a client.

**Item 7. Types of Clients**

Our firm generally provides advisory services to individuals, banking or thrift institutions, pension and profit sharing plans, trusts, estates, and charitable organizations.

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

Our firm employs fundamental, technical, and charting analysis to formulate client recommendations.

**Investment Strategy**

TideRock's investment advice is based on long-term strategies incorporating the principles of modern portfolio theory. The company focuses on developing diversified model portfolios, principally through the use of low cost, low turnover funds, many of which are only available to institutional investors and clients of a network of selected investment advisors. TideRock believes in overweighting smaller-capitalization, value-oriented stocks based on the work of the Fama-French three-factor model. TideRock analyzes global economic and political trends to determine the best areas and countries of the world to overweight. TideRock may make tactical allocation decisions between bonds and stocks (with the consent of the client) based upon long term relative values of where stocks and bonds trade, in addition to geo-political considerations. TideRock may also provide investment advice concerning or recommend investments in private placement transactions, private equity investments, venture capital investments, hedge funds and stock options as part of its diversification approach to investments.

***Clients should understand that investing in any securities, including mutual funds, involves a risk of loss of both income and principal.***

**Item 9. Disciplinary Information**

Our firm has no reportable disciplinary events to disclose.

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

Simon Reeves is a licensed insurance agent engaged in the business of selling annuities, life, and disability insurance. Clients who are interested in insurance products will be directed to Mr. Reeves for advice and recommendations regarding their insurance needs. Clients are under no obligation to act upon the recommendations of Mr. Reeves or TideRock, and, if they do so, they are under no obligation to implement any such recommendations. If a client decides to buy insurance through TideRock, the client will pay the normal fees and expenses associated with the

insurance products. TideRock will receive compensation in connection with those transactions. TideRock does not assess an investment advisory fee for advice regarding insurance, but does have a conflict of interest when providing insurance-related advice, since it has a financial incentive to recommend insurance products over other forms of investment vehicles.

Other than what is described in the immediately preceding paragraph, neither our firm nor our employees engage in any other financial industry activities or have any other financial industry affiliations.

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

### Code of Ethics Disclosure

TideRock or individuals associated with TideRock may buy or sell securities identical to or different from those recommended to clients for their personal accounts. In addition, any related person(s) may have an interest or position in security(ies) which may also be recommended to a client.

As these situations present conflicts of interest, TideRock has adopted a Code of Ethics which sets forth high ethical standards of business conduct that TideRock requires of its employees, including compliance with applicable federal securities laws.

TideRock's Code of Ethics includes policies and procedures for the maintenance of securities transactions reports on at least a quarterly basis as well as initial and annual securities holdings reports. TideRock's Code provides for oversight and enforcement, however, these provisions will generally only be effective at such time as TideRock has more than a single officer or employee with access to recommendations or client information. Among other things, when TideRock employs additional persons with access to recommendations or client information, the Code of Ethics will also require the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. A copy of TideRock's Code of Ethics is available to TideRock's clients or prospective clients upon request to "Client Services" at TideRock's principal office address.

## **Item 12. Brokerage Practices**

We do not have any formal or informal soft-dollar arrangements and do not receive any soft-dollar benefits.

As TideRock does not have the discretionary authority to determine the broker dealer to be used or the commission rates to be paid, clients must direct TideRock as to the broker dealer to be used. TideRock requests that clients direct TideRock to place trades through TD Ameritrade. TideRock has evaluated TD Ameritrade and believes that they provide TideRock clients with a blend of execution services, commission costs and professionalism that will assist TideRock in meeting its fiduciary obligations to clients. TideRock also uses Charles Schwab, Inc., Interactive Brokers, The Entrust Group, and IRA Resources, Inc. as custodians for financial accounts of clients.

TideRock reserves the right to decline acceptance of any client account for which the client directs the use of a broker dealer other than TD Ameritrade if TideRock believes that this choice would hinder its fiduciary duty to the client and/or its ability to service the account. In directing the use of TD Ameritrade it should be understood that TideRock will not have authority to negotiate commissions or to necessarily obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to the client and those charged to other clients (who may direct the use of another broker dealer). Clients should note, while TideRock has a reasonable belief that TD Ameritrade is able to obtain best execution and competitive prices, TideRock will not be independently seeking best execution price capability through other broker dealers.

### Ameritrade

TideRock participates in the institutional customer program offered by Ameritrade Institutional Services, Division of Ameritrade, Inc., a FINRA registered broker dealer (TD Ameritrade). Clients in need of brokerage and custodial services may have TD Ameritrade recommended to them. As part of the program, TD Ameritrade offers TideRock services which include custody of securities, trade execution, clearance and settlement of transactions.

While TideRock participates in the program with TD Ameritrade, there is no direct link between TideRock's participation in the program and the investment advice it gives to its clients, although TideRock receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to TideRock by third party vendors.

The benefits received by TideRock, or its personnel, through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. Clients should be aware, however, that the receipt of economic benefits by TideRock or its related persons in and of itself creates a potential conflict of interest and may indirectly influence TideRock's recommendation of TD Ameritrade for custody and brokerage services.

### Trade Aggregation

As a matter of policy and practice, our firm does not generally block client trades and, therefore, implements client transactions separately for each account. Due to this practice, certain client trades may be executed before others, at a different price and/or commission rate. Additionally, our clients may not receive volume discounts available to advisors who block client trades.

### **Item 13. Review of Accounts**

#### Portfolio Management Services

Simon Reeves, the owner and Managing Member of TideRock, will continuously monitor the underlying securities in client accounts and perform at least annual reviews of account holdings for all clients. Accounts are reviewed for consistency with client investment strategy, asset allocation, risk tolerance and performance relative to the appropriate benchmark. More frequent reviews may be triggered by changes in an account holder's personal, tax or financial status. Economic and macroeconomic specific events may also trigger reviews.

In addition to the monthly statements and confirmations of transactions that clients receive, our firm will provide quarterly and year-end performance reports.

#### Consulting Services

Depending on the nature of the consulting services provided, TideRock will provide reviews/reports as contracted for at the inception of the consulting engagement.

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

Our firm does not receive any additional compensation from third parties for providing investment advice to its clients and does not compensate anyone for client referrals.

### **Item 15. Custody**

We urge all of our management clients to carefully review and compare their quarterly reviews of account holdings and/or performance results to those they receive from their custodian.

### **Item 16. Investment Discretion**

For clients granting us discretionary authority to determine which securities and the amounts of securities that are to be bought or sold for their account(s), we request that such authority be granted in writing, typically in the executed advisory agreement.

Should the client wish to impose reasonable limitations on this discretionary authority, such limitations shall be included in this written authority statement. Clients may change/amend these limitations as desired. Such amendments must be submitted to us by the client in writing.

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

TideRock shall not maintain proxy voting authority on behalf of its clients. As such, clients shall receive proxies related to their own accounts, in which case we may consult with clients as requested.

**Item 18. Financial Information**

Under no circumstances will we earn fees in excess of \$500 more than six months in advance of services rendered.

**Item 19. Requirements for State-Registered Advisors**

Simon Reeves is the sole owner and managing member of TideRock Financial, LLC. The education and business background of Mr. Reeves can be found in the Supplement to Brochure (Part 2B of Form ADV Part 2).

**Part 2B of Form ADV: *Brochure Supplement***

Simon Reeves  
Sole Owner and Managing Member  
TideRock Financial, LLC  
9900 Research Drive  
Irvine, California 92618  
Telephone: (949) 215-4872  
Facsimile: (949) 485-6684  
E-mail: [simon@tiderockfinancial.com](mailto:simon@tiderockfinancial.com)

TIDEROCK FINANCIAL, LLC  
9900 Research Drive  
Irvine, California 92618  
Telephone: (949) 215-4872  
Facsimile: (949) 485-6684  
Web Address: [www.tiderockfinancial.com](http://www.tiderockfinancial.com)

3/26/2021

**This brochure supplement provides information about Simon Reeves that supplements the TideRock Financial, LLC brochure. You should have received a copy of that brochure. Please contact Mr. Reeves if you did not receive TideRock Financial, LLC's brochure or if you have any questions about the contents of this supplement.**

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

### **Simon Reeves, Sole Owner and Managing Member of TideRock**

Year of Birth: 1971

#### **Education:**

Mr. Reeves graduated from Stuyvesant High School in New York City in 1990.

Mr. Reeves graduated from the University of Michigan in 1994 with a Bachelor of Arts degree in General Studies, with a concentration in global economics.

Mr. Reeves completed 5 courses at the University of California, Irvine from 2007 - 2008 in Investments, Taxation, Estate Planning, Advanced Estate Planning and Retirement Planning.

#### **Business Background:**

Mr. Reeves founded TideRock Financial, LLC as Sole Owner and Managing Member in September, 2010.

Mr. Reeves was a Registered Investment Advisor with Greenberg Graham Advisors LLC from May, 2010 – September, 2010.

Mr. Reeves was a Registered Investment Advisor with Summit Portfolio Management from May, 2007 – May, 2010.

Mr. Reeves was a private investor with HSR Holdings, Inc. from January, 2006 – May, 2007.

Mr. Reeves was the Chief Executive Officer of Novashield Technologies, Inc. from December, 2002 – December, 2005.

Mr. Reeves was a member of The American Stock Exchange from 1994 – 2002.

From 1995 – 2002, Mr. Reeves was the Owner and Managing Member of two options trading companies, Del Mar Trading LLC and Newport Trading LLC, that engaged in trading and market making operations on multiple stock exchanges.

From 1994 – 1995, Mr. Reeves was employed as an options floor trader on The American Stock Exchange by Gargoyle Strategic Investments.

#### **Professional Designations:**

None.



**Item 3. Disciplinary Information**

Mr. Reeves has no history of disciplinary events.

**Item 4. Other Business Activities**

As a licensed insurance agent, Mr. Reeves receives commissions from the sale of insurance products. The receipt of commissions from the sale of these products may give Mr. Reeves an incentive to recommend investment products based on the compensation received, rather than on the client's needs.

**Item 5. Additional Compensation**

Mr. Reeves does not receive any additional compensation from third parties for providing investment advice to clients, and he does not compensate anyone for client referrals.

**Item 6. Supervision**

Mr. Reeves is responsible for all supervision, formulation and monitoring of investment advice offered to clients. Mr. Reeves can be reached at (949) 215-4872.

**Item 7. Requirements for State-Registered Advisors**

Mr. Reeves has not been found liable in any arbitration claims or found liable in a civil or self-regulatory organization or administrative proceeding, nor has he been the subject of a bankruptcy proceeding.