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**FORM ADV PART 2A.  
BROCHURE**

This brochure provides information about the qualifications and business practices of Altfest Personal Wealth Management. If you have any questions about the contents of this brochure, please contact us at 212-406-0850. 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 Altfest Personal Wealth Management is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Altfest Personal Wealth Management is 18320.

Altfest Personal Wealth Management is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

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### ***Advisory Business***

Form ADV Part 2A, Item 4

Altfest Personal Wealth Management's registration was granted by the U.S. Securities and Exchange Commission on February 2, 1983. Lewis Jay Altfest (CRD Number 4029) is President of the firm. Mr. Altfest owns one hundred (100%) percent of the equity of the firm. The firm is not publicly owned or traded. There are no indirect owners of the firm or intermediaries, which have any ownership interest in the firm. As of December 31, 2012, the firm managed, on a discretionary basis, \$903,980,000, which represented 2,403 accounts and managed on a nondiscretionary basis \$6,798,000 which represented 79 accounts. Client assets are managed on an individualized basis. Clients may impose restrictions on their accounts. The firm does not sponsor any wrap programs. The firm, on an infrequent basis, effects crossed trades in bonds.

## *Fees and Compensation*

Form ADV Part 2A, Item 5

The firm's fee structure for new investment management clients are based on client assets are as follows:<sup>1</sup>

- 1% on the first \$2,000,000 annually
- 3/4 of 1% on amounts between \$2,000,001 and \$5,000,000
- 1/2 of 1% on amounts over \$5,000,000

Fees are billed quarterly at one-quarter (1/4) of the above annual rate, payable at the beginning of each quarter. Contracts may be cancelled in writing any time and a pro-rata refund will be made of any unearned or unapplied fees. Firm has a minimum portfolio size of \$1,000,000.00. Clients may not negotiate fees. For deposits of \$50,000.00 or more received after quarter end, fees are charged a pay rate in accordance with the Firm's stated advisory fee schedule on the subsequent quarter's statement. Withdrawals of \$50,000.00 or more during a quarter are credited to the next quarter's fees. Advisory agreements contain a five (5) day penalty-free right of rescission.

For investment management clients who elect to have assets managed and reported on through account aggregation software, the maximum fee will be 1%/annum.

The method of compensation generally arises from continuing management of portfolios as opposed to reviews or investment advice at a fixed point in time or other forms of investment and or financial advice that is rendered. The firm's fee charged currently is \$400 per hour. If the client requests specific investment recommendations, there is a minimum fee of \$3,500. Typically the client pays 50% of the projected fee before service commences and 50% when the recommendations are presented. Services may be terminated at any time and the client billed only for the hours worked to that point.

Regarding mutual funds: these funds pay advisory fees to their investment advisors ("portfolio managers"). Therefore, the Firm's clients pay advisory fees for the management of mutual fund assets: directly to the Firm and another indirectly to the portfolio managers of the mutual funds held in client's accounts.

<sup>1</sup> Years ago, the firm's fee structure for new investment management clients who had established an investment advisory relationship with the firm were based on client assets as follows:

- 1% on the first \$1,000,000 annually
- 3/4 of 1% on amounts between \$1,000,001 and \$2,000,000
- 1/2 of 1% on amounts over \$2,000,00

***Performance-Based Fees and Side-By-Side Management***

Form ADV Part 2A, Item 6

None.

### *Types of Clients*

Form ADV Part 2A, Item 7

Individuals, pension plans, profit sharing plans, trusts, estates, charitable organizations, corporations and other business entities.

***Methods of Analysis, Investment Strategies and Risk of Loss***

Form ADV Part 2A, Item 8

Methods of securities analysis would be fundamental and cyclical.

Investment strategies would be long term purchases and short term purchases.

***Disciplinary Information***

Form ADV Part 2A, Item 9

No disciplinary information on file.



***Other Financial Industry Activities and Affiliations***

Form ADV Part 2A, Item 10

None.

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

Form ADV Part 2A, Item 11

The firm has adopted a written Code of Ethics in compliance with SEC rule 204A-1. The code sets forth standards of conduct and required compliance with federal securities laws. Our code also addresses personal trading and requires our personnel to report their personal securities holdings and transactions to the Chief Compliance Officer of the firm. We will provide a copy of our Code of Ethics to any client or prospective client upon request.

Firm or a related person thereof may buy or sell for itself, himself or herself securities that are also recommended to clients. Full disclosure would be made of any conflict of interest situation.

## ***Brokerage Practices***

Form ADV Part 2A, Item 12

Firm or a related person thereof may buy or sell for itself, himself or herself securities that are also recommended to clients. Full disclosure would be made of any conflict of interest situation.

Brokers are selected for low cost, good execution of trades, available product knowledge of individual securities and other factors. For bonds, competitive bids are compared in selecting brokers. We use discount brokers for mutual fund trades. For bonds and stocks we seek out low commission rates and good execution of trades resulting in reasonable net cost or proceeds from sale.

We generally do not receive products or services from brokers. Those received are used for all clients.

All securities transactions are effected through Charles Schwab, TD Ameritrade TIAA CREF, Vanguard and/or Fidelity.

The arrangements set forth in this Form ADV are conventional and typical practice for fee-only advisory firms in this industry.

Firm participates in the TD Ameritrade Institutional program. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC, NFA. TD Ameritrade is an unaffiliated SEC-registered broker-dealer and FINRA and NFA member. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. Firm receives some benefits from TD Ameritrade through its participation in the program.

Firm participates in Charles Schwab & Co.'s Schwab Institutional (SI) service program. While there is no direct linkage between the investment advice given and participation in the SI program, economic benefits are received which would not be received if Firm did not give investment advice to clients. These benefits include the following products and services (provided without cost or at a discount): receipt of 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 and then allocate the appropriate shares to client accounts; ability to have investment advisory fees deducted directly from client account; access, for a fee, to an electronic communication network for client order entry and account information; receipt of compliance publications; and access to mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors.

Firm may recommend that clients establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc., a registered broker-dealer, Member SIPC/NYSE/NFA, to maintain custody of clients' assets and to effect trades for their accounts. Schwab Institutional provides Firm with access to its institutional trading and operations services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors at no charge to them so long as a total of at least \$10 million of the Firm's clients' account assets are maintained at Schwab Institutional. Schwab Institutional's services include research, brokerage, custody, access to mutual funds and other investments that are otherwise available only to institutional investors or would require a significantly higher minimum initial investments. Schwab Institutional also makes available to Firm other products and services that benefit Firm but may not benefit its clients' accounts. Some of these other products and services assist Firm in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of Firm's fees from its clients' accounts, and assist with back-office support, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of Firm's accounts, including accounts not maintained at Schwab Institutional. Schwab Institutional may also provide Firm with other services intended to help Firm manage and further develop its business enterprise. These services may include consulting, publications and presentations on practice management, information technology, business succession, regulatory compliance and marketing. In addition, Schwab may make available, arrange and/or pay for these types of services to Firm by independent third-parties. Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Firm. The availability to Firm of the foregoing products and services is not contingent upon Firm committing to Schwab Institutional any specific amount of business (assets in custody or trading). Clients should be aware, however, that the receipt of economic benefits by Firm [or its related person] in and of itself creates a potential conflict of interest and may indirectly influence Firm's choice of Charles Schwab & Co. for custody and brokerage services.

The benefits received through participation in the SI program do not depend upon the amount of transactions directed to Charles Schwab & Co., Inc.

As disclosed, Firm participates in TD Ameritrade's institutional customer program and Firm may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between Firm's participation in the program and the investment advice it gives to its clients, although Firm receives economic benefits through its participation in the program that are not typically available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of 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, technology, and practice management products or services provided to Firm by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Firm's related persons. Some of the products and services made available by TD Ameritrade through

the program may benefit Firm but may not benefit its Client accounts. These products or services may assist Firm in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Firm manage and further develop its business enterprise. These benefits received by Firm [or its related persons] do not depend on the amount of brokerage transactions directed to TD Ameritrade.

As part of its fiduciary duties to clients, Firm endeavors at all times to put the interests of its clients first. The Firm believes that TD Ameritrade provides favorable execution, pricing, and other benefits for clients. Clients should be aware, however, that the receipt of economic benefits by Firm [or its related person] in and of itself creates a potential conflict of interest and may indirectly influence the Firm's choice of TD Ameritrade for custody and brokerage services.

Firm considers a number of factors in selecting brokers and custodians at which to locate (or recommend location of) its client accounts, including, but not limited to, execution capability, experience and financial stability, reputation and the quality of services provided. In selecting TD Ameritrade as the broker and custodian for certain of its current and future client accounts, Firm takes into consideration its arrangement with TD Ameritrade as to obtaining price discounts for TD Ameritrade's automatic portfolio rebalancing service for advisors known as "iRebal".

The standard iRebal annual license fee applicable to Firm is \$20,000. That fee is subject to specified reductions (and even complete waiver) if specified amounts of client taxable assets are either already on the TD Ameritrade platform or are committed to be placed on it. Specified taxable client assets either maintained on or committed to the TD Ameritrade platform will bring fee reduction of up to \$20,000 per year for each of as many as three years or more.

The non-taxable assets excluded from the maintenance and commitment levels described above are those that constitute "plan assets" of plans subject to Title 1 of the Employee Retirement Income Security Act of 1974, amended, or of plans as defined in Section 4975 of the Internal Revenue Code (which include IRAs).

If Firm does not maintain the relevant level of taxable assets on the TD Ameritrade platform, Firm may be required to make a penalty fee payment to TD Ameritrade calculated on the basis of the shortfall.

Although Firm believes that the products and services offered by TD Ameritrade are competitive in the market place for similar services offered by other broker-dealers or custodians, the arrangement with TD Ameritrade as to the iRebal service may affect Firm's independent judgment in selecting or maintaining TD Ameritrade as the broker or custodian for client accounts.

### *Review of Accounts*

Form ADV Part 2A, Item 13

With respect to investment supervisory service activity, ongoing and continuous monitoring of client portfolios shall be undertaken. Ongoing reviews to ensure portfolios are aligned with targets established for a client shall be conducted by various professionals at the firm assigned to individual clients. Portfolio rebalancing software is also utilized towards this end.

Investment selection/elimination is made by the firm's investment committee.

With respect to advisory clients who have received a financial plan, in many cases an annual review shall be encouraged. Such review is typically provided by Lewis Altfest, Paul Palazzo or a senior member of the staff.

Performance reports are sent to fee paying clients quarterly. Performance is also reviewed in client meetings.

### *Client Referrals and Other Compensation*

Form ADV Part 2A, Item 14

Advisor may receive client referrals from TD Ameritrade through its participation in TD Ameritrade AdvisorDirect (the “referral program”). In addition to meeting the minimum eligibility criteria for participation in AdvisorDirect, Advisor may have been selected to participate in AdvisorDirect based on the amount and profitability to TD AMERITRADE of the assets in, and trades placed for, client accounts maintained with TD Ameritrade. TD Ameritrade is a discount broker-dealer independent of and unaffiliated with Advisor and there is no employee or agency relationship between them. TD Ameritrade has established the referral program as a means of referring its brokerage customers and other investors seeking fee-based personal investment management services or financial planning services to independent investment advisors. TD Ameritrade does not supervise Advisor and has no responsibility for Advisor’s management of client portfolios or Advisor’s other advice or services. Advisor pays TD Ameritrade an on-going fee for each successful client referral. This fee is usually a percentage (not to exceed 25%) of the advisory fee that the client pays to Advisor (“Solicitation Fee”). Advisor will also pay TD AMERITRADE the Solicitation Fee on any advisory fees received by Advisor from any of a referred client’s family members, including a spouse, child or any other immediate family member who resides with the referred client and hired Advisor on the recommendation of such referred client. Advisor will not charge clients referred through AdvisorDirect any fees or costs higher than its standard fee schedule offered to its clients or otherwise pass Solicitation Fees paid to TD Ameritrade to its clients. For information regarding additional or other fees paid directly or indirectly to TD Ameritrade, please refer to the TD Ameritrade AdvisorDirect Disclosure and Acknowledgement Form.

Advisor’s participation in AdvisorDirect raises potential conflicts of interest. TD Ameritrade will most likely refer clients through AdvisorDirect to investment advisors that encourage their clients to custody their assets at TD Ameritrade and whose client accounts are profitable to TD Ameritrade. Consequently, in order to obtain client referrals from TD Ameritrade, Advisor may have an incentive to recommend to clients that the assets under management by Advisor be held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade. In addition, Advisor has agreed not to solicit clients referred to it through AdvisorDirect to transfer their accounts from TD Ameritrade or to establish brokerage or custody accounts at other custodians, except when its fiduciary duties require doing so. Advisor’s participation in AdvisorDirect does not diminish its duty to seek best execution of trades for client accounts.

Associates of the firm are compensated for business development.

*Custody*

Form ADV Part 2A, Item 15

None.



***Investment Discretion***

Form ADV Part 2A, Item 16

Firm has limited discretionary authority provided to it by advisory clients through the signing of a "Limited Power of Attorney".

***Voting Client Securities***

Form ADV Part 2A, Item 17

The general policy of the firm is to not vote proxy statements on behalf of clients.

***Financial Information***

Form ADV Part 2A, Item 18

The firm does not receive fees more than six months in advance.

***Requirements for State-Registered Advisers***

Form ADV Part 2A, Item 19

Not applicable.

*Additional Information*

None