I.

The Securities and Exchange Commission ("Commission") previously instituted public administrative proceedings against Harvey Altholtz ("Altholtz" or "Respondent"), pursuant to Section 203(f) of the Investment Advisers Act of 1940 ("Advisers Act") on November 3, 2016. The Commission now deems it appropriate and in the public interest to enter this Order Making Findings and Imposing Remedial Sanctions Pursuant to Section 203(f) of the Investment Advisers Act of 1940 ("Order").

II.

Respondent has submitted an Offer of Settlement (the "Offer") which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings and the findings contained in Section III.B.1 below, which are admitted, Respondent consents to the entry of this Order, as set forth below.

III.

On the basis of this Order and Respondent’s Offer, the Commission finds that:
A. RESPONDENT

Respondent, age 66, was a principal of Sarasota, Florida based Wealth Strategy Partners, LLP ("Wealth Strategy"), the general partner and fund manager to two private investment funds – the Adamas Fund, LLLP and the Stealth Fund, LLLP (collectively the “Funds”). Since at least January 2010, Respondent was an unregistered investment adviser to the Funds.

B. ENTRY OF THE RESPONDENT’S PERMANENT INJUNCTION

1. On October 18, 2016, a judgment was entered by consent against Respondent, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933, Section 10(b) and Rule 10b-5 of the Securities Exchange Act of 1934, and Section 206(4) and Rule 206(4)-8(a) of the Advisers Act, in the civil action entitled Securities and Exchange Commission v. Harvey Altholtz, et al., Civil Action Number 8:14-CV-02427-JDW/TGW, in the United States District Court for the Middle District of Florida.

2. The Commission’s Second Amended Complaint alleged that Altholtz assisted in raising approximately $30.8 million from investors through private sales of limited partnership interests in the Funds. As part of a scheme to defraud investors, from October 2008 through April 2010, Altholtz made materially misleading statements to current and potential investors and omitted to state certain material facts necessary to make statements made not misleading concerning: (a) loans Wealth Strategy and its affiliates made to the Funds, which were expressly prohibited by the offering materials provided to investors, (b) guarantees by the Funds of loans made by the Respondent’s family trusts, which represented a conflict of interest for Respondent, (c) the Funds’ use of investor proceeds, including (1) Respondent’s disbursement of exorbitant interest and penalty payments to his family trusts, and (2) Respondent’s preferential redemption of his family’s investments in the Funds ahead of investors, and (d) the financial strength of the portfolio companies in which the Funds invested.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Altholtz’s Offer.

Accordingly, it is hereby ORDERED pursuant to Section 203(f) of the Advisers Act, that Respondent Altholtz be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, or transfer agent.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a
customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

For the Commission, by its Secretary, pursuant to delegated authority.

Brent J. Fields  
Secretary