



Altavista Wealth Management, Inc.
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Brochure
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This brochure provides information about the qualifications and business practices of Altavista Wealth Management, Inc. the “Registrant”). If you have any questions about the contents of this brochure, please contact us by telephone at (828) 684-2600. 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 Altavista Wealth Management, Inc. also is available on the SEC’s website at www.adviserinfo.sec.gov.

References herein to Altavista Wealth Management, Inc. as a “registered investment adviser” or any reference to being “registered” do not imply a certain level of skill or training.

Material Changes

There have been no material changes since the firm's last filing on March 30, 2019.

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Item 4 Advisory Business

- A. Altavista Wealth Management, Inc. (the “Registrant”) is a corporation formed on March 4, 2004 in the State of North Carolina. The Registrant became registered as an Investment Adviser Firm in November 2003. The Registrant is owned by L. Daniel Akers, Jr. and Kyle R. Boyd. L. Daniel Akers, Jr. is the Registrant’s President.
- B. As discussed below, the Registrant offers to its clients (individuals, pension and profit sharing plans, trusts, bank or thrift institutions, and business entities, etc.) investment advisory services, and, to the extent specifically requested by a client, financial planning and related consulting services.

INVESTMENT ADVISORY SERVICES

The client can determine to engage the Registrant to provide discretionary and/or non- discretionary investment advisory services on a *fee* basis.

The investment process begins with an asset allocation or deployment strategy taking into account the client’s:

- Investment objectives
- Income needs
- Tax status
- Estate planning considerations
- Investments held outside the portfolio
- Unique circumstances and constraints

After Altavista and the client have thoroughly discussed and agreed to the investment policy the portfolio is assembled from a wide variety of quality equity, fixed income and other investments. We employ an active approach to the allocation of assets among the different classes of stocks, bonds, real estate, alternative investments and cash equivalents to achieve a meaningfully diversified portfolio for all our clients.

The asset classes considered for inclusion in client portfolios include U.S. stocks (large and small cap), foreign shares (including emerging markets), real estate, U.S. and foreign government/corporate bonds and alternative investments. When an asset class is either over or undervalued, based on our research, it may be reduced or emphasized within the portfolio as appropriate. Within the discipline of the asset allocation process described above the portfolio is assembled from stocks, bonds, mutual funds and the engagement of sub-advisors, where appropriate.

FINANCIAL PLANNING AND CONSULTING SERVICES (STAND-ALONE)

To the extent requested by a client, the Registrant occasionally provides financial planning and/or consulting services (including investment and non-investment related matters, including estate planning, insurance planning, etc.) on a stand-alone separate fee basis. Registrant’s planning and consulting fees are negotiable, but generally range from \$2,500 to \$10,000 on a fixed fee basis, or a minimum \$250 on an hourly rate basis, depending upon the level and scope of the service(s) required and the professional(s) rendering the service(s). Prior to engaging the Registrant to provide planning or consulting services, clients are generally required to enter into a *Financial Planning and Consulting Agreement* with Registrant setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to Registrant commencing services. If requested by the client, Registrant may recommend the services of other professionals for implementation purposes, including certain of the Registrant’s representatives in their individual capacities as a certified public accountant or a licensed insurance agent. (*See* disclosure at Item 10 C.6 and Item 10 C.8). The client is under no obligation to

engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from the Registrant. If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. It remains the client's responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Registrant's previous recommendations and/or services.

FAMILY OFFICE SERVICES

The registrant also offers a suite of services for ultra-wealthy families and individuals designed to meet the needs of multigenerational families. These services are either delivered directly by Registrant or coordinated with other professionals including a family's existing attorneys, accountants and other advisers. This service is customized to meet the needs of each family, and typically includes the following:

- **FAMILY GOVERNANCE** Through an ongoing process of communication with the family, Registrant provides transgenerational planning, family dynamics consulting and opportunities to prepare and educate heirs to be good stewards of the family legacy.
- **PLANNING** At the family level, our team provides a complete range of services designed to help create an infrastructure that protects assets and identifies opportunities, including a comprehensive personal financial plan that addresses the unique goals and objectives of each family member.
- **PHILANTHROPIC CONSULTING** We develop and help to implement a plan designed to achieve the family's philanthropic planning and administration objectives, consulting on a wide range of alternatives.
- **LIFESTYLE SERVICES** Our team assists with event planning, management of personal staff, real property management, family wellness consulting and other concierge services.
- **INVESTMENT MANAGEMENT** Registrant creates comprehensive, intergenerational wealth management strategies utilizing traditional, alternative and unique approaches. We design a plan to protect the family's wealth and offer opportunities for growth.
- **TRUST SERVICES** Our team builds specifically tailored solutions for the many forms of trust administration (including unique assets such as real estate and closely-held businesses) delivered by a local advisor.
- **RISK MANAGEMENT** Registrant provides comprehensive management of the family's insurance program that is integrated with each family member's personal financial plan. Our asset protection strategies are designed to protect family wealth with durable solutions designed to be in compliance with all federal, state and local laws.
- **ACCOUNTING, TECHNOLOGY & REPORTING** Our services include ongoing record keeping, performance reporting, technology and data security consulting services to enhance accountability and providing critical information to your family as a whole and to its individual members.

MISCELLANEOUS

Non-Investment Consulting/Implementation Services To the extent requested by the client, the Registrant occasionally provides consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. Neither the Registrant, nor any of its representatives, serves as an attorney, and no portion of the Registrant's services should be construed as same. To the extent requested by a client, the Registrant may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance agents, etc.), including representatives of the Registrant in their separate licensed capacities as discussed below. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any

recommendation from the Registrant. If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. It remains the client's responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Registrant's previous recommendations and/or services.

Limitations of Financial Planning and Non-Investment Consulting/Implementation Services.

Subsequent to the initial planning engagement (per the terms and conditions of a separate agreement and fee), the Registrant will generally provide financial planning, and related consulting services regarding non-investment related matters, such as tax and estate planning, insurance, etc. inclusive of its advisory fee set forth at Item 5 below (exceptions may occur based upon assets under management, special projects, etc. for which Registrant may charge a separate fee, or a stand-alone financial planning engagement). Registrant does not serve as an attorney, accountant, or insurance agent, and no portion of our services should be construed as same. Accordingly, Registrant does not prepare estate planning documents, tax returns, or sell insurance products. To the extent requested by a client, we may recommend the services of other professionals for non-investment implementation purpose (i.e. attorneys, accountants, insurance, etc.,) including Registrant's Managing Principal, Dan Akers (*see* Item 10 below) for tax preparation services in his separate licensed capacity as a CPA. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from Registrant and/or its representatives. Please Note: If the client engages any recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. Please Also Note-Conflict of Interest: The recommendation by the Registrant that a client engage Mr. Akers for accounting-related services including tax preparation, presents a *conflict of interest*, as the potential receipt of revenue by Mr. Akers may provide an incentive to make the recommendation. No client is under any obligation to engage Mr. Akers for tax preparation services. Registrant will work with the accountant of the client's choosing.

Retirement Rollovers-Potential for Conflict of Interest: A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If Registrant recommends that a client roll over their retirement plan assets into an account to be managed by Registrant, such a recommendation creates a *conflict of interest* if Registrant will earn new (or increase its current) compensation as a result of the rollover. When acting in such capacity, Registrant serves as a fiduciary under the Employee Retirement Income Security Act (ERISA), or the Internal Revenue Code, or both. No client is under any obligation to rollover retirement plan assets to an account managed by Registrant. Registrant's Chief Compliance Officer, Christine Nelson, remains available to address any questions that a client or prospective client may have regarding the potential for conflict of interest presented by such rollover recommendation.

Trustee Services. Clients who require trustee services are generally introduced to First Hope Bank, N.A. ("First Hope"), a national bank principally located in Columbia, New Jersey. The Registrant and First Hope are operationally independent-no person associated with the Registrant is a First Hope employee, owner, officer, director, or representative. If the client engages First Hope, First Hope generally establishes an account for the benefit of the client at Schwab. First Hope will generally engage the Registrant to provide investment management services for the Schwab account assets. Other than its investment management fee, there is no fee-sharing arrangement between the Registrant and First Hope. The recommendation by the Registrant that a client engage First Hope for trustee-related services presents a *conflict of interest*, given the anticipation that First Hope will engage the Registrant to provide investment management services for the Schwab account assets, from which services the Registrant will derive a fee. No client is under any obligation to engage First Hope for trustee-related services. Registrant will work with the trustee of the client's choosing.

Tradeaway/Prime Broker Fees. If, in the reasonable determination of Registrant that it would be beneficial for the client, individual fixed income transactions may be effected through broker-dealers other than the account custodian, in which event, the client generally will incur both the fee (commission, mark-up/mark-down) charged by the executing broker-dealer and a separate “tradeaway” and/or prime broker fee charged by the account custodian (i.e., Schwab or TD Ameritrade).

Independent Managers. Registrant may allocate a portion of a client’s investment assets among unaffiliated independent investment managers in accordance with the client’s designated investment objective(s). In such situations, the Independent Manager[s] will have day-to-day responsibility for the active discretionary management of the allocated assets. Registrant will continue to render investment supervisory services to the client relative to the ongoing monitoring and review of account performance, asset allocation and client investment objectives. Factors which Registrant will consider in recommending Independent Manager[s] include the client’s designated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research.

Custodian Charges-Additional Fees: As discussed below at Item 12 below, when requested to recommend a broker-dealer/custodian for client accounts, Registrant generally recommends that Schwab and/o TD Ameritrade serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as Schwab and TD charge transaction fees for effecting securities transactions. In addition to Registrant’s investment advisory fee referenced in Item 5 below, the client will also incur transaction fees to purchase securities for the client’s account (i.e., securities purchased for the client’s account by the Registrant and/or underlying Independent Manager).

Please Note-Use of Mutual and Exchange Traded Funds: Most mutual funds and exchange traded funds are available directly to the public. Thus, a prospective client can obtain many of the funds that may be utilized by Registrant independent of engaging Registrant as an investment advisor. However, if a prospective client determines to do so, he/she will not receive the Registrant’s initial and ongoing investment advisory services. In addition to Registrant’s investment advisory fee described below, and transaction and/or custodial fees discussed below, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses).

ERISA PLAN and 401(k) INDIVIDUAL ENGAGEMENTS:

- **Trustee Directed Plans.** Registrant may be engaged to provide investment advisory services to ERISA retirement plans, whereby the Registrant will manage Plan assets consistent with the investment objective designated by the Plan trustees. In such engagements, Registrant will serve as an investment fiduciary as that term is defined under The Employee Retirement Income Security Act of 1974 (“ERISA”). Registrant will generally provide services on an “assets under management” fee basis per the terms and conditions of an *Investment Advisory Agreement* between the Plan and the Firm.
- **Participant Directed Retirement Plans.** Registrant may also provide investment advisory and consulting services to participant directed retirement plans per the terms and conditions of a *Retirement Plan Services Agreement* between Registrant and the plan. For such engagements, Registrant may assist the Plan sponsor with the selection of an investment platform from which Plan participants will make their respective investment choices (which may include investment strategies devised and managed by Registrant), and, to the extent engaged to do so, may also provide corresponding education to assist the participants with their decision making process.
- **Client Retirement Plan Assets.** If requested to do so, Registrant will provide investment advisory services relative to the client’s 401(k) plan assets. In such event, Registrant will recommend the client allocate the retirement account assets among the investment options available on the 401(k) platform. Registrant will be limited to making recommendations regarding the allocation of the assets among the investment alternatives available through the plan. Registrant will not receive any communications from

the plan sponsor or custodian, and it will remain the client's exclusive obligation to notify Registrant of any changes in investment alternatives, restrictions, etc. pertaining to the retirement account.

Portfolio Activity. Registrant has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, Registrant will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including, but not limited to, investment performance, fund manager tenure, style drift, account additions/withdrawals, and/or a change in the client's investment objective. Based upon these factors, there may be extended periods of time when Registrant determines that changes to a client's portfolio are neither necessary nor prudent. Of course, as indicated below, there can be no assurance that investment decisions made by Registrant will be profitable or equal any specific performance level(s).

Aggregate Reporting. Registrant may also provide periodic comprehensive reporting services that can incorporate all of the client's investment assets, including those investment assets that are not part of the assets managed by Registrant (the "Excluded Assets"). **The client and/or his/her/its other advisors who maintain trading authority, and not Registrant, will be exclusively responsible for the investment performance of the Excluded Assets.** Unless otherwise specifically agreed to, in writing, Registrant's service relative to the Excluded Assets is limited to reporting only. The sole exception to the above will be if Registrant is specifically engaged to monitor and/or allocate the assets within the client's 401(k) account maintained away at the custodian directed by the client's employer. As such, except with respect to the client's 401(k) account (if applicable), Registrant does not maintain any trading authority for the Excluded Assets. Rather, the client and/or the client's designated other investment professional(s) maintain supervision, monitoring and trading authority for the Excluded Assets. If Registrant is asked to make a recommendation as to any Excluded Assets, the client is under absolutely no obligation to accept the recommendation, and Registrant will not be responsible for any implementation error (timing, trading, etc.) relative to the Excluded Assets. In the event the client desires that Registrant provide investment management services for the Excluded Assets, the client may engage Registrant to do so pursuant to the terms and conditions of the *Investment Advisory Agreement* between Registrant and the client.

Non-Discretionary Service Limitations. Clients that determine to engage the Registrant on a non-discretionary investment advisory basis must be willing to accept that the Registrant cannot affect any account transactions without obtaining prior consent to any such transaction(s) from the client. Thus, in the event that Registrant would like to make a transaction for a client's account, and client is unavailable, the Registrant will be unable to effect the account transaction (as it would for its discretionary clients) without first obtaining the client's consent.

Client Obligations. In performing our services, Registrant will not be required to verify any information received from the client or from the client's other professionals and is expressly authorized to rely thereon. Moreover, it remains each client's responsibility to promptly notify Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services.

Please Note: Investment Risk. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by Registrant) will be profitable or equal any specific performance level(s).

Disclosure Statement A copy of the Registrant's written Brochure as set forth on Part 2A of Form ADV will be provided to each client prior to, or contemporaneously with, the execution of the *Investment Advisory Agreement or Financial Planning and Consulting Agreement*. Any client who has not received a copy of Registrant's written Brochure at least 48 hours prior to executing the *Investment Advisory Agreement or Financial Planning and Consulting Agreement* will have five business days subsequent to executing the agreement to terminate the Registrant's services without penalty.

- C. The Registrant will provide investment advisory services specific to the needs of each client. Prior to providing investment advisory services, an investment adviser representative will ascertain each client's investment objective(s). Thereafter, the Registrant will allocate and/or recommend the client allocate investment assets consistent with the designated investment objective(s). The client may, at any time, impose reasonable restrictions, in writing, on the Registrant's services.
- D. The Registrant does not participate in a wrap fee program.
- E. As of 12/31/2019, the Registrant had approximately \$539,972,137 in assets under management on a discretionary basis and approximately \$15,350,625 in assets under management on a non-discretionary basis.

Item 5 Fees and Compensation

- A. The client can determine to engage the Registrant to provide discretionary and/or non- discretionary investment advisory services on a *fee* basis.

INVESTMENT ADVISORY SERVICES

If a client determines to engage the Registrant to provide discretionary and/or non-discretionary investment advisory services on a *fee* basis, the Registrant's annual investment advisory fee will be based upon a percentage (%) of the market value and type of assets placed under the Registrant's management (between 0.30% and 1.50%) as follows:

1.2%	on the first \$ 500,000
.90%	on the next \$ 500,000
.80%	on the next \$2,000,000
.60%	on the next \$4,000,000
.40%	on all over \$7,000,000

Please see additional Disclosure at Types of Clients below.

FINANCIAL PLANNING AND CONSULTING SERVICES (STAND-ALONE)

To the extent specifically requested by a client, the Registrant *may* determine to provide financial planning and/or consulting services (including investment and non-investment related matters, including estate planning, insurance planning, etc.) on a stand-alone fee basis. Registrant's planning and consulting fees are negotiable, but generally range from \$2,500 to \$10,000 on a fixed fee basis, or at least \$250 on an hourly rate basis, depending upon the level and scope of the service(s) required and the professional(s) rendering the service(s).

FAMILY OFFICE SERVICES

1.0%	on the first \$5,000,000
.80%	on the next \$5,000,000
.65%	on the next \$10,000,000
.50%	over \$20,000,000

Fees on relationships in excess of \$40,000,000 of managed assets will be negotiated

Please see additional Disclosure at Types of Clients below.

- Assets for which we do not have a direct management responsibility will not be assessed a management fee. Assets on which we are asked to provide accounting or report performance may be charged a negotiated reporting fee, based on the complexity of the assets.
- Multi-Generational accounts within a family relationship will be grouped together to reach the lowest applicable fee.

- B. Both Registrant's *Investment Advisory Agreement* and the custodial/clearing agreement may authorize the custodian to debit the account for the amount of the Registrant's investment advisory fee and to directly remit that management fee to the Registrant in compliance with regulatory procedures. In the limited event that the Registrant bills the client directly, payment is due upon receipt of the Registrant's invoice.
- C. As discussed below, unless the client directs otherwise or an individual client's circumstances require, the Registrant will generally recommend that Charles Schwab ("*Schwab*") or T.D. Ameritrade Institutional Services ("*TD Ameritrade*") serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as *Schwab and TD Ameritrade* charge brokerage commissions and/or transaction fees for effecting certain securities transactions (i.e. transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and fixed income securities transactions). In addition to Registrant's investment management fee, brokerage commissions and/or transaction fees, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses). All fees paid to us for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs to their shareholders described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a fund directly, without our services. 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 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. When beneficial to the client, individual fixed-income and/or equity transactions may be effected through broker-dealers with whom Registrant and/or the client have entered into arrangements for prime brokerage clearing services, including effecting certain client transactions through other SEC registered and FINRA member broker-dealers (in which event, the client generally will incur both the transaction fee charged by the executing broker-dealer and a "trade away" fee charged by *Schwab and/or TD Ameritrade*).
- D. Registrant's annual investment advisory fee will be prorated and paid quarterly, in advance, based upon the market value of the assets on the last business day of the previous quarter. The Registrant will deduct fees and/or bill clients quarterly management fees in advance, based upon the market value of the assets on the last business day of the previous quarter. As an exception, where First Hope Bank serves as trustee for the client accounts, First Hope Bank will deduct fees and/or bill clients quarterly management fees in arrears, based upon the market value of the assets on the last business day of the previous quarter. The Registrant, in its sole discretion, may charge a lesser investment management fee and/or waive or reduce its minimum asset requirement 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.). The *Investment Advisory Agreement* between the Registrant and the client will continue in effect until terminated by either party by written notice in accordance with the terms of the *Investment Advisory Agreement*. Upon termination, the Registrant either will refund the pro-rated portion of the advanced advisory fee paid based upon the number of days remaining in the billing quarter, or charge the client for the pro-rated portion of the unpaid advisory fee based on the number of days that services were provided during the billing quarter, as applicable.
- E. Neither the Registrant, nor its representatives accept compensation from the sale of securities or other investment products.

Item 6 Performance-Based Fees and Side-by-Side Management

Neither the Registrant nor any supervised person of the Registrant accepts performance- based fees.

Item 7 Types of Clients

The Registrant's clients will generally include individuals, pension and profit-sharing plans, trusts, non-profit foundations, bank or thrift institutions and business entities, etc. Registrant, in its sole discretion, may charge a lesser investment advisory fee and/or charge a flat fee 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, competition, negotiations with client, etc.). Please Note: As result of the above, similarly situated clients could pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees.

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

A. The Registrant may utilize the following methods of security analysis:

- Fundamental - (analysis performed on historical and present data, with the goal of making financial forecasts)
- Technical – (analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices)
- Cyclical – (analysis performed on historical relationships between price and market trends, to forecast the direction of prices)

The Registrant may utilize the following investment strategies when implementing investment advice given to clients:

- Long Term Purchases (securities held at least a year)
- Short Term Purchases (securities sold within a year)
- Margin Transactions (use of borrowed assets to purchase financial instruments)
- Options (contract for the purchase or sale of a security at a predetermined price during a specific period of time)

Investment Risk. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by the Registrant) will be profitable or equal any specific performance level(s).

B. The Registrant's methods of analysis and investment strategies do not present any significant or unusual risks. However, every method of analysis has its own inherent risks. To perform an accurate market analysis the Registrant must have access to current/new market information. The Registrant has no control over the dissemination rate of market information; therefore, unbeknownst to the Registrant, certain analyses may be compiled with outdated market information, severely limiting the value of the Registrant's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

The Registrant's primary investment strategies - Long Term Purchases, Short Term Purchases - are fundamental investment strategies. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer-term investment strategy.

In addition to the fundamental investment strategies discussed above, the Registrant may also implement and/or recommend - use of margin, and/or options transactions. Each of these strategies has

a high level of inherent risk. (See discussion below).

Margin is an investment strategy with a high level of inherent risk. A margin transaction occurs when an investor uses borrowed assets to purchase financial instruments. The investor generally obtains the borrowed assets by using other securities as collateral for the borrowed sum. The effect of purchasing a security using margin is to magnify any gains or losses sustained by the purchase of the financial instruments on margin. **Please Note:** To the extent that a client authorizes the use of margin, and margin is thereafter employed by the Registrant in the management of the client's investment portfolio, the market value of the client's account and corresponding fee payable by the client to the Registrant may be increased. As a result, in addition to understanding and assuming the additional principal risks associated with the use of margin, clients authorizing margin are advised of the potential *conflict of interest* whereby the client's decision to employ margin *may* correspondingly increase the management fee payable to the Registrant. Accordingly, the decision as to whether to employ margin is left totally to the discretion of client.

The use of options transactions as an investment strategy involves a high level of inherent risk. Option transactions establish a contract between two parties concerning the buying or selling of an asset at a predetermined price during a specific period of time. During the term of the option contract, the buyer of the option gains the right to demand fulfillment by the seller. Fulfillment may take the form of either selling or purchasing a security depending upon the nature of the option contract. Generally, the purchase or the recommendation to purchase an option contract by the Registrant will be with the intent of offsetting/"hedging" a potential market risk in a client's portfolio. **Please Note:** Although the intent of the options-related transactions that may be implemented by the Registrant is to hedge against principal risk, certain of the options-related strategies (i.e. straddles, short positions, etc.), may, in and of themselves, produce principal volatility and/or risk. Thus, a client must be willing to accept these enhanced volatility and principal risks associated with such strategies. In light of these enhanced risks, client may direct the Registrant, in writing, not to employ any or all such strategies for his/her/their/its accounts.

- C. Currently, the Registrant primarily allocates client investment assets among various individual equity (stocks), and fixed income securities, and/or mutual funds, on a discretionary and non-discretionary basis in accordance with the client's designated investment objective(s).

Item 9 Disciplinary Information

The Registrant has not been the subject of any disciplinary actions.

Item 10 Other Financial Industry Activities and Affiliations

- A. Neither the Registrant, nor its representatives, are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- B. Neither the Registrant, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.
- C.
 - 1. **Trustee Services.** Clients who require trustee services are generally introduced to First Hope Bank, N.A. ("First Hope"), a national bank principally located in Columbia, New Jersey. The Registrant and First Hope are operationally independent-no person associated with the

Registrant is a First Hope employee, owner, officer, director, or representative. If the client engages First Hope, First Hope generally establishes an account for the benefit of the client at

Schwab. First Hope will generally engage the Registrant to provide investment management services for the Schwab account assets. Other than its investment management fee, there is no fee-sharing arrangement between the Registrant and First Hope. The recommendation by the Registrant that a client engage First Hope for trustee-related services presents a *conflict of interest*, given the anticipation that First Hope will engage the Registrant to provide investment management services for the Schwab account assets, from which services the Registrant will derive a fee. No client is under any obligation to engage First Hope for trustee-related services. Registrant will work with the trustee of the client's choosing.

2. **Tax Preparation Services.** To the extent requested by a client, we may recommend the services of other professionals for non-investment implementation purpose (i.e. attorneys, accountants, insurance, etc.) including Registrant's Managing Principal, Dan Akers (*see* Item 10 below) for tax preparation services in his separate licensed capacity as a CPA. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from Registrant and/or its representatives. If the client engages any recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. The recommendation by the Registrant that a client engage Mr. Akers for accounting-related services including tax preparation, presents a *conflict of interest*, as the potential receipt of revenue by Mr. Akers may provide an incentive to make the recommendation. No client is under any obligation to engage Mr. Akers for tax preparation services. Registrant will work with the accountant of the client's choosing.
3. **Insurance License:** Registrant's Managing Principal, Dan Akers, in his separate individual capacity, is a licensed insurance agent. Mr. Akers maintains his license solely for the purpose of providing insurance-related consulting services to firm clients consistent with state law requirements. Mr. Akers does not sell, nor does he offer to sell, any insurance-related products, nor does he receive any insurance-based commission compensation.

D. The Registrant does not receive, directly or indirectly, compensation from investment advisors that it recommends or selects for its clients.

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

A. The Registrant maintains an investment policy relative to personal securities transactions. This investment policy is part of Registrant's overall Code of Ethics, which serves to establish a standard of business conduct for all of Registrant's Representatives that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940, the Registrant also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by the Registrant or any person associated with the Registrant. Our ethical conduct standards and procedures are reviewed with our staff annually and on an as-needed basis to provide full education and understanding of our commitment to a compliant environment.

- B. Neither the Registrant nor any related person of Registrant recommends, buys, or sells for client accounts, securities in which the Registrant or any related person of Registrant has a material financial interest.
- C. The Registrant and/or representatives of the Registrant *may* buy or sell securities that are also recommended to clients. This practice may create a situation where the Registrant and/or representatives of the Registrant are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if the Registrant did not have adequate policies in place to detect such activities.

In addition, this requirement can help detect insider trading, “front-running” (i.e., personal trades executed prior to those of the Registrant’s clients) and other potentially abusive practices.

The Registrant has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of the Registrant’s “Access Persons”. The Registrant’s securities transaction policy requires that an Access Person of the Registrant must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Quarterly, each Access Person must submit to the Chief Compliance Officer a Personal Trading Report of transactions in their or any household member’s accounts during the previous calendar quarter. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person’s current securities holdings at least once each twelve (12) month period thereafter on a date the Registrant selects; provided, however that at any time that the Registrant has only one Access Person, he or she will not be required to submit any securities report described above.

- D. The Registrant and/or representatives of the Registrant occasionally buys or sells securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where the Registrant and/or representatives of the Registrant are able to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. As indicated above in Item 11 C, the Registrant has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of Registrant’s Access Persons.

Item 12 Brokerage Practices

In the event the client requests the Registrant recommend a broker-dealer/custodian for execution and/or custodial services, Registrant generally recommends investment advisory accounts be maintained at Charles Schwab (“Schwab”) and/or TD Ameritrade (“TD”). Prior to engaging Registrant to provide investment management services, the client will be required to enter into a formal Investment Advisory Agreement with Registrant setting forth the terms and conditions under which Registrant will advise on the client’s assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that Registrant considers in recommending Schwab and/or TD (or any other broker-dealer/custodian to clients) include historical relationship with Registrant, financial strength, reputation, execution capabilities, pricing, research, and service. Although the transaction fees paid by Registrant’s clients will comply with Registrant’s duty to seek best execution, a client may pay a transaction fee that is higher than another qualified broker-dealer might charge to effect the same transaction where Registrant determines, in good faith, that the transaction fee is reasonable. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer’s services, including the value of research provided, execution capability, transaction rates, and responsiveness. Accordingly, although Registrant will seek competitive rates, it may not necessarily obtain the lowest possible rates for client account transactions. Transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Registrant’s investment advisory fee.

Non-Soft Dollar Research and Benefits: Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, Registrant can receive from Schwab and/or TD (or another broker-dealer/custodian, investment manager, platform sponsor, mutual fund sponsor, or vendor) without cost (and/or at a discount) support services and/or products, certain of which assist Registrant to better monitor and service client accounts maintained at such institutions. Included within the support services that can be obtained by Registrant can be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support-including client events, computer hardware and/or software and/or other products used by Registrant in furtherance of its investment advisory business operations.

Registrant's clients do not pay more for investment transactions affected and/or assets maintained at Schwab and/or TD Ameritrade as a result of this arrangement. There is no corresponding commitment made by Registrant to Schwab, or any other any entity, to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as result of the above arrangement.

Directed Brokerage. Registrant recommends its clients utilize the brokerage and custodial services provided by Schwab and TD. The Registrant generally does not accept directed brokerage arrangements (when a client requires that account transactions be affected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and Registrant will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by Registrant. As a result, a client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices on transactions for the account than would otherwise be the case. In the event the client directs Registrant to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements which may be available through Registrant. Higher transaction costs adversely impact account performance. Transactions for directed accounts will generally be executed following the execution of portfolio transactions for non-directed accounts.

Order Aggregation. Transactions for each client account will generally be affected independently, unless Registrant decides to purchase or sell the same securities for several clients at approximately the same time. Registrant may (but is not obligated to) combine or "bunch" such orders to seek best execution, to negotiate more favorable commission rates or to allocate equitably among Firm's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. Registrant will not receive any additional compensation or remuneration as a result of such aggregation.

Item 13 Review of Accounts

- A. For those clients to whom Registrant provides investment supervisory services, account reviews are conducted on an ongoing basis by the Registrant's Principals and/or representatives. In addition to the advisors' ongoing oversight of their clients' accounts, the Altavista Investment Committee on a calendar quarter basis reviews and cross examines 25% of the firm's clients' portfolios. All investment supervisory clients are advised that it remains their responsibility to advise the Registrant of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with the Registrant on an annual basis.
- B. The nature and frequency of reviews of Family Office Services accounts will be negotiated with each client based on that client's specific needs.
- C. The Registrant occasionally conducts account reviews on any other than periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and client request.
- D. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. The Registrant may also provide a written periodic report summarizing account activity and performance.

Item 14 Client Referrals and Other Compensation

- A. As indicated at Item 12 above, Registrant can receive from Schwab and/or TD without cost (and/or at a discount), support services and/or products. Registrant's clients do not pay more for investment transactions effected and/or assets maintained at Schwab and/or TD (or any other institution) as result of this arrangement. There is no corresponding commitment made by Registrant to Schwab, or to any other entity, to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.
- B. If a client is introduced to the Registrant by either an unaffiliated or an affiliated solicitor, Registrant might pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements. Any such referral fee will be paid solely from the Registrant's investment management fee and will not result in any additional charge to the client. If the client is introduced to the Registrant by an unaffiliated solicitor, the solicitor, at the time of the solicitation, will disclose the nature of his/her/its solicitor relationship, and will provide each prospective client with a copy of the Registrant's written Brochure with a copy of the written disclosure statement from the solicitor to the client disclosing the terms of the solicitation arrangement between the Registrant and the solicitor, including the compensation to be received by the solicitor from the Registrant. Registrant currently receives referrals from Carland and Andersen, CPA.

The Registrant continues to compensate TD for previous referrals. TD no longer serves as a solicitor for the Registrant.

Item 15 Custody

Registrant will have the ability to deduct its advisory fee from the client's custodial account on a quarterly basis. Clients are provided with written transaction confirmation notices, and a written summary account statement directly from the custodian (i.e., Schwab, TD, etc.) at least quarterly. Please Note: To the extent that Registrant provides clients with periodic account statements or reports, the client is urged to compare any statement or report provided by Registrant with the account statements received from the account custodian. The account custodian does not verify the accuracy of Registrant's advisory fee calculation.

In addition, certain clients have established asset transfer authorizations permitting the qualified custodian to rely upon instructions from Registrant to transfer client funds or securities to third parties. These arrangements are disclosed at Item 9 of Part 1 of Form ADV. However, in accordance with the guidance provided in the SEC's February 21, 2017 *Investment Adviser Association* No-Action Letter, the affected accounts are not subject to an annual surprise CPA examination.

Item 16 Investment Discretion

The client can determine to engage the Registrant to provide investment advisory services on a discretionary basis. Prior to the Registrant assuming discretionary authority over a client's account, the client will be required to execute an *Investment Advisory Agreement*, naming the Registrant as the client's attorney and agent in fact, granting the Registrant full authority to buy, sell, or otherwise effect investment transactions involving the assets in the client's name found in the discretionary account.

Clients who engage the Registrant on a discretionary basis may, at any time, impose restrictions, **in writing**, on the Registrant's discretionary authority (i.e. limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe the Registrant's use of margin, etc.).

Item 17 Voting Client Securities

- A. Unless the client directs otherwise in writing, the Registrant is responsible for voting client proxies (However, the client will maintain exclusive responsibility for all legal proceedings or other type events pertaining to the account assets, including, but not limited to, class action lawsuits.). The Registrant will vote proxies in accordance with its Proxy Voting Policy, a copy of which is available upon request. The Registrant will monitor corporate actions of individual issuers and investment companies consistent with the Registrant's fiduciary duty to vote proxies in the best interests of its clients. Although the factors which Registrant will consider when determining how it will vote differ on a case by case basis, they may, but are not limited to, include the following: a review of recommendations from issuer management, shareholder proposals, cost effects of such proposals, effect on employees and executive and director compensation. With respect to individual issuers, the Registrant may be solicited to vote on matters including corporate governance, adoption or amendments to compensation plans (including stock options), and matters involving social issues and corporate responsibility. With respect to investment companies (e.g., mutual funds), the Registrant may be solicited to vote on matters including the approval of advisory contracts, distribution plans, and mergers. The Registrant will maintain records pertaining to proxy voting as required pursuant to Rule 204-2 (c)(2) under the Advisers Act. Copies of Rules 206(4)-6 and 204-2(c)(2) are available upon written request. In addition, information pertaining to how the Registrant voted on any specific proxy issue is also available upon written request. Requests should be made by contacting the Registrant's Chief Compliance Officer, Christine B. Nelson.
- B. As set forth in Item 17.A, the Registrant votes client proxies.

Item 18 Financial Information

- A. The Registrant does not solicit fees of more than \$1,200 per client, six months or more in advance.
- B. The Registrant is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.
- C. The Registrant has not been the subject of a bankruptcy petition.

ANY QUESTIONS: The Registrant's Chief Compliance Officer, Christine B. Nelson, remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.

Item 5 Additional Compensation

As referenced in Item 14, if a client is introduced to the Registrant by Carland & Andersen, CPA, an affiliated solicitor, Registrant usually pays Ron Carland a referral fee. Any such referral fee will be paid solely from the Registrant's investment management fee and does not result in any additional charge to the client.

None.

Item 6 Supervision

Ron Carland's investment related activities are supervised by the firm's Chief Compliance Officer and he is subject to the firm's Code of Ethics (including personal reporting requirements), Compliance Policies and Procedures as are all other supervised access persons at Altavista Wealth Management, Inc. Should a client have any questions regarding the Registrant's supervision or compliance practices, please contact Christine Nelson at (828) 684-2600.