



BIONDO

INVESTMENT ADVISORS, LLC

AN AFFILIATE OF THE BIONDO GROUP, LLC

540 ROUTES 6 & 209

PO Box 909

MILFORD, PA 18337

BIONDO INVESTMENT ADVISORS, LLC

FIRM BROCHURE

FORM ADV: PART 2A

This brochure provides information about the qualifications and business practices of Biondo Investment Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at 570.296.5525 or team@thebiondogroup.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

Additional information about Biondo Investment Advisors, LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

CONTACT US:

TF 877.246.6367 OR 570.296.5525

WWW.THEBIONDOGROUP.COM

BIONDO INVESTMENT ADVISORS, LLC IS A REGISTERED INVESTMENT ADVISER. THAT DESIGNATION DOES NOT IMPLY A CERTAIN LEVEL OF SKILL OR TRAINING. UNDER THE INVESTMENT ADVISOR ACT OF 1940, AN INVESTMENT ADVISER IS DEFINED AS ANY PERSON WHO, FOR COMPENSATION, ENGAGES IN THE BUSINESS OF ADVISING OTHERS ON INVESTMENTS. INVESTMENT ADVISORS MUST REGISTER WITH, AND BE REGULATED BY, EITHER THE SECURITIES AND EXCHANGE COMMISSION OR A STATE REGULATORY BODY.

August 15, 2011

Material Changes in the brochure of Biondo Investment Advisors, LLC since the last annual update on March 30, 2010 follow. The list contains only material changes since the last annual update of the brochure.

The changes in investment strategies are:

- Prior to July 1, 2010, the Biondo Growth Strategy was called the Biondo All Cap Growth Strategy.
- A new strategy called the Moderate Growth Strategy is now being offered. It is described on page 8.

Biondo does not employ the services of third-party or unaffiliated solicitors for referrals of advisory clients to the firm.

Northern Lights Distributors, LLC, the distributor of The Biondo Family of Funds was previously known as Aquarius Fund Distributors, LLC

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Advisory Business

Biondo Investment Advisors, LLC (Biondo) was founded by Joseph R. Biondo (Joe) in March 2004. His son, Joseph P. Biondo (Joseph), joined Biondo in November 2004. Joe is the Firm's Chief Executive Officer and Joseph serves as Chief Investment Officer. Both also function as Biondo's Portfolio Managers. The Biondo Group began managing the Firm's flagship Growth Strategy under Smith Barney in 1991. Biondo is wholly owned by The Biondo Group, LLC. Joseph R. Biondo and Joseph P. Biondo are member managers of The Biondo Group, LLC.

Biondo provides investment supervisory services to approximately 85% of its firm assets. "Investment supervisory services" means the giving of continuous advice as to the investment of funds on the basis of the individual needs of each client. Biondo manages separate accounts on a discretionary, fee-for-service basis as a percentage of assets under management. Portfolio Managers have authority to determine, without specific client consent, both the specific securities and the dollar amount to be bought or sold. Managed accounts are generally Wrap Fee Accounts unless other arrangements are made. Please refer to Appendix 1, Biondo's Wrap Fee Brochure, for more information on that program. Fifteen percent of Biondo's assets do not involve investment supervisory services.

The type of investments on which Biondo offers advice include:

- equity securities (exchange-listed, over-the-counter, and foreign issued),
- warrants,
- corporate debt securities (other than commercial paper),
- commercial paper,
- certificates of deposit,
- municipal securities,
- mutual fund shares,
- United States governmental securities, and
- options contracts on securities.

Biondo does not call its supervisory services or investment management "financial planning" but rather considers its services as development of a diversified portfolio and investment plan.

Biondo tailors its advisory services to the individual needs of clients by reviewing a client's personal information, goals and risk tolerance before the client enrolls in any sponsored program. Biondo's Investment Management Agreement includes a disclosure statement and a suitability questionnaire that all potential clients are asked to complete. Clients may impose restrictions on investing in certain securities or types of securities as part of this initial review, and may impose restrictions on their accounts at any time. Clients are requested to inform Biondo of any changes in the information provided at account inception and to review this information at least annually in writing.

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Biondo participates in Wrap Fee Programs by providing portfolio management services. Biondo manages wrap fee accounts in the same way as other client accounts. The fee schedule for management of wrap fee accounts is different. Biondo receives a portion of the wrap fee for its services. A full description of fee calculation and compensation is below.

As of December 31, 2010, Biondo managed 319 accounts totaling \$335,940,514 on a discretionary basis and 1,451 accounts totaling \$49,591,907 on a non-discretionary basis.

Fees and Compensation

Advisory services fees are payable quarterly, in advance, based on an account's gross market value on the last business day of the previous calendar quarter. Gross market value is the total value of all cash and securities in the account without deduction of any margin balance. Accounts accepted during a quarter will be charged a pro-rated fee for that quarter.

Fees may vary from the below schedule due to specific circumstances of the client or as otherwise negotiated with particular clients. Fees are detailed in each client Investment Management Agreement. Specific circumstances can include, but are not limited to: the existence of other accounts with Biondo or its affiliates, percentage of asset allocation dedicated to fixed income, and fee schedules negotiated prior to the existence of the fee schedule shown below.

Clients with multiple accounts, or clients with multiple accounts for various individuals in their immediate household, living at the same address, will be considered in total for the purpose of reaching breakpoints in the fee schedule. Corporate and Trust Accounts reporting under tax identification numbers, not Social Security numbers, will not be added to a household's total for breakpoint purposes. Certain accounts of Biondo or its affiliates, former employees or their relatives, and current employees or their relatives may be managed by Biondo for a reduced fee. Biondo advisory fees are, in general, based on assets under management. The fee schedule is reviewed on a periodic basis.

Wrap Fee Account Asset Value Fee Schedules

	<u>Balanced Allocation</u>	<u>Equity Allocation</u>	<u>Focus Strategy</u>
< \$1,000,000	1.50%	1.75%	2.00%
\$1,000,001 - \$5,000,000	1.00%	1.25%	1.75%
\$5,000,001 - \$10,000,000	0.50%	0.75%	1.50%
\$10,000,001 and over	Negotiated Fee Rate – All Strategies & Allocations		

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Institutional Fee Schedule

\$1,000,000 - \$5,000,000	1.00%
\$5,000,001 - \$10,000,000	0.70%
\$10,000,001 - \$20,000,000	0.40%
Over \$20,000,001	Negotiated Fee Rate

Biondo's fees are automatically deducted quarterly from the client's account during the first month of a quarter unless the client has specifically requested, in writing, to be billed. Billed clients are mailed, or electronically delivered, an invoice in the first month of a quarter. Institutional clients receive invoices and may request alternate payment schedules. Fees are due 30 days after receipt of Biondo's invoice.

Account assets invested in shares of mutual funds or other investment companies will be included in calculating the gross value of an account for purposes of computing Biondo's fees. The same assets will also be subject additional advisory and other fees and expenses, as set forth in the prospectuses of those funds, paid by the funds but ultimately borne by the investor. Institutional clients will also incur brokerage, other transaction and custodial costs and fees. Biondo's brokerage practices are further described on page 11.

Biondo's services may be terminated by either party with written notice as explained in the client's Investment Management Agreement. Since Biondo's fees are due and payable in advance, there are times a client may be entitled to a refund. Fee refunds are pro-rated for actual calendar days under management. Refunds are calculated during the account termination process and are credited to the account, or paid within thirty days of the account termination.

Biondo and its supervised persons do not accept compensation for the sale of securities, including asset-based sales charges, or sell other investment products. Biondo Asset Management, LLC, a broker-dealer affiliate of The Biondo Group, LLC, receives 20% of client fees for processing client transactions.

Biondo advises The Biondo Growth Fund and The Biondo Focus Fund which are distributed by Northern Lights Distributors, LLC. A copy of the prospectus for either Fund, containing information on investment objectives, risks, charges and expenses, can be obtained by calling 1-800-672-9152 or by download at www.TheBiondoGroup.com. The Biondo Growth Fund, an all cap, non-diversified, open-end investment company that seeks capital appreciation, pays Biondo a management fee equal to 1.00% of the average daily net assets of the Fund. The Biondo Focus Fund, an all cap concentrated, non-diversified, open-end investment company that seeks long term capital appreciation, pays Biondo a management fee equal to 1.50% of the average daily net assets of the Fund.

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Since the brokerage fees received by Biondo Asset Management, LLC are based on a percentage of client fees and not on trading activity, any potential conflict of interest of these payments is minimized. The relationship between Biondo and Biondo Asset Management, LLC is disclosed to clients in the Investment Management Agreement. Advisory clients are given the option of directing brokerage to non-affiliated firms.

The Biondo Growth Fund and The Biondo Focus Fund are not available in managed accounts.

Biondo does not primarily recommend mutual funds.

All of Biondo's revenue from advisory clients comes from fees, not from commissions or compensation for the sale of investment products that are recommended to advisory clients.

Biondo does not charge advisory fees in addition to commissions or markups for wrap fee clients.

Institutional clients and clients directing brokerage to non-affiliated firms may be charged commissions or markups.

Fee schedules are negotiable.

Performance Based Fees and Side by Side Management

Biondo and its supervised persons do not accept performance-based fees based on a share of capital gains on, or capital appreciation of, the assets of an advisory account.

Types of Clients

Biondo provides investment advice to individuals, investment companies, pension and profit sharing plans, trusts, estates, charitable organizations, corporations or other business entities, educational institutions, endowments and foundations. Biondo also provides investment advice to clients through its participation in Wrap Fee Programs at UBS Financial, Morgan Stanley Smith Barney, Raymond James and ENVESTNET. As a condition for starting and maintaining a relationship, Biondo requires a one million dollar minimum client portfolio size. This minimum may be reached by one or several accounts within a household relationship. At Biondo's discretion, the minimum may be waived.

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Methods of Analysis, Investment Strategies and Risk of Loss

Biondo pursues a stock selection discipline that seeks to identify companies over the capitalization spectrum with exceptional growth potential. Biondo analyzes the strengths of each identified company using fundamental analysis, which emphasizes management's integrity and capabilities, product strength, competition, research and development practices and future growth prospects. Charting and technical analysis are also used.

Main sources of information include financial newspapers and magazines, inspections of corporate activities, research materials prepared and provided by others (including purchased services), corporate rating services, annual reports, prospectuses, filings with the Securities and Exchange Commission (SEC), and company press releases. Biondo also attends corporate presentations at conferences and will occasionally visit the corporate headquarters of companies in which it has investment interest.

Investing in securities involves risk of loss that clients should be prepared to bear. Clients with investment horizons of less than three years are generally considered unsuitable for participation in Biondo's investment strategies.

Biondo's investment strategies include transactions in which securities are held at least a year, securities sold within a year, and securities sold within 30 days. (Biondo generally holds portfolio securities longer than a year, but securities held less than a year incur greater tax consequences). Transactions can also include short sales, options and trading on margin.

- A short sale consists of selling borrowed shares in the hope that they can be bought back later at a lower price. Short sales have unlimited risk.
- Options are contracts that provide the holder the right to purchase or sell the underlying security. Trading options involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments.
- Trading on margin can magnify gains and losses.

Fixed income components are intended to provide maximum current income with minimum credit risk, but clients should note there is still some risk to fixed income components.

Biondo does not guarantee:

- the future performance of the client's account or any specific level of performance,
- the success of any investment decision or strategy, or
- the success of Biondo's overall management of the client's account.

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Investment decisions are subject to various market, currency, credit, economic, political and business risks. Biondo's investment decisions will not always be profitable.

Biondo will manage only the securities, cash and other investments held in the client's account. In making investment decisions for the account, Biondo will not consider any other securities, cash or other investments owned by the client.

Biondo's investment strategies include:

Growth Strategy: a portfolio of generally less than 35 stocks with an asset allocation guideline of 70% to 100% invested in equities and the remainder invested in high quality fixed income securities. The investment strategy pursues stocks with growth characteristics in all market capitalizations. The fixed income investments are investment grade or better with an intermediate average duration. A 10% to 20% fluctuation from the target asset allocation percentages and up to 20% margin may occur based on client circumstances and short term situations. Call options may be sold and put options purchased against stock positions in the portfolio. *(Previously called the Biondo All Cap Growth Strategy)*

Focus Strategy: a portfolio of generally 25 or less securities that pursues stocks with growth characteristics in all market capitalizations. Up to 20% margin may occur based on client circumstances and short term situations. Call options may be sold and put options purchased against stock positions in the portfolio. Put options may be sold and securities sold short.

Large Cap Growth Strategy: a portfolio of generally 40 or less securities that pursues stocks with growth characteristics and a market capitalization greater than \$10 billion. Up to 20% margin may occur based on client circumstances and short term situations. Call options may be sold against stock positions in the portfolio.

Mid Cap Growth Strategy: a portfolio of generally 40 or less securities that pursues stocks with growth characteristics and a market capitalization between \$2.5 billion to \$10 billion. Up to 20% margin may occur based on client circumstances and short term situations. Call options may be sold against stock positions in the portfolio.

Small Cap Growth Strategy: a portfolio of generally 40 or less securities that pursues stocks with growth characteristics and a market capitalization of less than \$2.5 billion. Up to 20% margin may occur based on client circumstances and short term situations. Call options may be sold against stock positions in the portfolio.

Moderate Growth Strategy: a portfolio of generally less than 35 growth stocks with a general asset allocation guideline of less than 60% invested in equities and the remainder invested in high quality fixed income securities. Stocks in all market capitalizations are pursued. The fixed income investments are investment grade or better with an

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intermediate average duration. A 10% to 20% fluctuation from the target asset allocation percentages and up to 20% margin may occur based on client circumstances and short term situations. Call options may be sold against stock positions in the portfolio. *(This newly introduced strategy is similar to the Growth Strategy but has a larger percentage of fixed income allocation than the Growth Strategy).*

Growth and Income Strategy: a portfolio of generally less than 35 growth and dividend paying stocks and a general asset allocation guideline of 10% to 50% invested in equities with the remainder invested in high quality fixed income securities. The strategy pursues a combination of primarily large capitalization growth stocks and dividend paying stocks with lower P/E multiples. The fixed income investments are investment grade or better with an intermediate average duration. A 10% to 20% fluctuation from the target asset allocation percentages may occur based on client circumstances and short term situations. Call options may be sold against stock positions in the portfolio.

Disciplinary Information

Biondo and its management persons have no material disciplinary events to disclose.

Other Financial Industry Activities and Affiliations

Biondo is a wholly owned subsidiary of The Biondo Group, LLC. The Biondo Group, LLC is also the owner of Biondo Asset Management, LLC, a registered broker-dealer and member of FINRA and SIPC.

Biondo will generally direct brokerage through Biondo Asset Management, unless otherwise requested by an individual client. Biondo also pays 20% of client fees to Biondo Asset Management for processing client transactions. Biondo Asset Management will also transact securities transactions for compensation for clients in accounts that are not a part of the Managed Account Program. Some employees are registered and compensated by both Biondo and Biondo Asset Management through The Biondo Group. Any possible conflict of interest in this relationship is avoided by giving clients the option of directing brokerage to a non-affiliated firm.

Biondo and its management persons have no other relationships that are material to its advisory business or to its clients.

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

Biondo has adopted a code of ethics, pursuant to Section 204A-1 of the Investment Advisor Act of 1940, as amended that ensures that the personal securities transactions of Biondo's principals, employees and affiliates do not conflict with transactions made on behalf of clients. The Code of Ethics is based on the principles that Biondo will:

- place the interest of the clients first;
- avoid taking inappropriate advantage of their positions within Biondo;
- conduct any personal securities transactions in full compliance with the Code of Ethics.

Clients or prospective clients will be sent a copy of Biondo's Code of Ethics at any time upon request.

Biondo does not recommend securities to managed clients in which Biondo or its officers or employees have a material financial interest.

Biondo does not buy or sell securities from or to any investment advisory client. However, officers or employees of Biondo may buy or sell or hold positions in securities recommended to clients, including buying securities that are being sold for certain clients and selling securities that are being purchased for certain clients. Biondo seeks to ensure that it, or its affiliates or employees, does not wrongfully benefit from the short-term effects of their recommendations. If an officer or employee is placing a trade for a security, they must file a pre-clearance trade request with the Chief Compliance Officer, or in her absence, the Chief Investment Officer. If the employee's trade is approved, clients' trades are placed first if possible. In some circumstances, client and employee trades may be part of a block trade with the final trade price calculated as an average price of all executions. If an employee receives a better price on a transaction, that transaction price is given to a client if the executions were transacted by the same broker. If it is not possible to reallocate a transaction in which an employee received a better price than a client, the employee's trade will be cancelled. The employee would then be required to re-file a pre-clearance trade request.

Accounts of Biondo, its affiliates or employees are managed along with other accounts in such a way that the internal account does not receive favorable treatment over other client accounts.

The Compliance Department of Biondo, in order to monitor compliance with Biondo's personal trading policies and restrictions, requires all personnel to have duplicate statements and confirmations for any outside brokerage accounts they may have sent to the Compliance Department.

Additionally, also in accordance with Section 204A of the Investment Advisor Act of 1940, as amended, Biondo also maintains and enforces policies reasonably designed to prevent the

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unlawful use of material, non-public information by Biondo or any of its principals or employees.

Brokerage Practices

Research and Other Soft Dollar Benefits

Soft dollar benefits are arrangements in which investment advisers are given certain benefits (such as research and other services) from a broker-dealer in exchange for the adviser directing trades to that broker-dealer for the broker-dealer to execute for a fee. Biondo does not have to use its own funds to purchase benefits obtained in this manner. Biondo's Soft Dollar Policy is to make a good faith determination of the value of the research product or services in relation to the commissions paid. Biondo also maintains soft dollar arrangements for those research products and services which assist Biondo in its investment decision making process.

Biondo may direct some transactions to outside broker-dealers who occasionally provide research to Biondo, if their execution quality and transactions costs are comparable to those obtained elsewhere. Although Biondo may have an incentive to select or recommend a broker-dealer based on its interest in receiving research or other products or services, outside broker-dealers will not be selected by Biondo, regardless of the quality and scope of their research, if reasonable costs and executions are not provided.

Biondo's arrangements for soft dollar benefits do not cause clients to pay higher transaction costs. Since Biondo's soft dollar benefits are exclusively research related, these benefits service all clients. All clients, except those who direct brokerage, pay for these benefits.

Soft dollar benefits arrangements allow Biondo access to research reports on the overall market, individual securities and sectors, and entry to research conferences and dinner meetings with company management. These research tools qualify for the safe harbor in Section 28(e) of the Securities Exchange Act of 1934.

By monitoring reports from Thomson-Reuters, Biondo evaluates a broker-dealer's execution quality. Commission charges and research quality, as well as the trading volume to be executed, are also reviewed when directing client transactions in return for soft dollar benefits.

In the event that Biondo obtains any mixed use products or services on a soft dollar basis, Biondo will make a reasonable allocation of the cost between that portion which is eligible as research or brokerage services and that portion which is not so qualified. The portion eligible as research or other brokerage services will be paid for with discretionary client commissions and the non-eligible portion (for example computer hardware, accounting

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systems, etc. which are not eligible under Section 28(e) safe harbor) will be paid for with Biondo's own funds.

Brokerage for Client Referrals

Biondo does not receive client referrals from other broker-dealers for directing brokerage.

Directed Brokerage

Biondo generally uses Biondo Asset Management, LLC, an affiliate of Biondo, as the broker-dealer for their investment accounts. Biondo Asset Management is compensated by Biondo for transaction processing. Clients choosing this broker-dealer will typically instruct the firm to direct all portfolio transactions through Biondo Asset Management as set forth in a wrap-fee arrangement or at a rate agreed to between both parties. All trades for The Biondo Family of Funds are processed through non-affiliated broker-dealers. Biondo, Biondo Asset Management, The Biondo Growth Fund (BIONX) and The Biondo Focus Fund (BFONX) share certain services. Transactions processed through Biondo Asset Management may not always receive the most favorable execution and may cost clients more money.

Clients are free to choose or change broker-dealers, provided that the chosen brokerage can provide adequate service as determined by Biondo. In the event such brokerage cannot provide such service (as determined by Biondo), Biondo may not accept management of the portfolio. A client choosing another broker-dealer to direct brokerage transactions is responsible for negotiating fees or commissions with that broker-dealer unless Biondo has a wrap-fee arrangement with such broker-dealer. The client is responsible to independently determine whether the commissions charged or execution affected is done at rates or prices that are better than could be obtained had Biondo directed the trade. Directing brokerage may cost clients more money because the client may pay higher brokerage commissions or Biondo will not be able to combine orders to reduce transaction costs. In such circumstances, the client will receive trade confirmations directly from the designated broker (or its clearing firm) and pay brokerage commissions in accordance with the designated broker's schedule of rates, or as per whatever arrangement the client has negotiated.

Biondo seeks to obtain the best execution for all investment advisory transactions provided in both the separate client accounts and the mutual funds it advises. Transactions for each client account may be done independently unless Biondo decides to purchase or sell the same securities for several clients at approximately the same time. Biondo may (but is not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among Biondo'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 transaction costs, and will be allocated among Biondo's clients in proportion to the purchase and sale orders placed for each client account on any given day. If Biondo is unable to fill an entire order on the same day and receives a partial fill, Biondo will normally allocate such transactions on an equitable rotational system that considers a random assignment method.

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It is possible that some clients with highly customized investment policies or restrictions may not participate in aggregated transactions and their transactions may only be executed after guideline compliance between Biondo and the client has been established. Such clients may receive a less favorable price on these transactions.

Review of Accounts

Biondo's portfolio managers and associates are generally responsible for reviewing client portfolios. The portfolios are structured in accordance with the investment objectives of the clients and any restrictions imposed on the managers, described in the new account documents. Generally, portfolios are reviewed quarterly at a minimum and with greater frequency as changes occur in the holdings. The process is facilitated utilizing the portfolio management system of Market Street Advisors. Portfolio managers and associates may meet or consult with clients of the firm in person or by phone. All clients are encouraged to communicate regularly with their portfolio manager and associates. These meetings or consultations may involve investment philosophy discussions, investment policy decisions, individual securities and client questions and personal changes. On a daily basis The Biondo Growth Fund (BIONX) and The Biondo Focus Fund (BFONX) are reviewed by the portfolio managers and associates for both security weightings and exposure. Fund values are available online at Yahoo! Finance or other similar sites.

Portfolio changes, security values, deposits greater than 5%, withdrawals and client objectives are among the other factors which will serve as cause for a portfolio review.

Biondo makes arrangements for its clearance agent to furnish clients with written confirmations of transactions and debit/credit advice for any transaction for which Biondo has placed an order. Each client has particular needs which determine the frequency and nature of reporting. Generally, clients or their custodians will receive printed monthly statements and printed periodic performance reports no less than annually. Monthly statements include portfolio balances, positions and transaction detail for the period. Performance reports compare portfolio returns with appropriate benchmarks for standard reporting periods (i.e. one, three, six months; year to date; one, five, ten years; and since inception). They also list beginning values, net additions and withdrawals, appreciation and ending values for each period. Additionally, through regular phone conversations and in person meetings, clients and Biondo are able to exchange information that allows goals, objectives and investment strategy to remain current. Biondo Family of Funds' clients receive annual and semi-annual printed fund reports, outlining positions, sector exposure and the performance for the fund.

Client Referrals and Other Compensation

Biondo does not receive economic benefit from anyone who is not a client for providing investment advice or other advisory services to its clients.

Biondo does not employ the services of third-party or unaffiliated solicitors for referrals of advisory clients to the firm.

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Custody

Biondo does not have custody of client funds or securities. Biondo utilizes the custodial services of National Financial Services, LLC for those clients that do not have a designated custodian. As noted in Review of Accounts, page 13, clients or their custodians generally receive printed monthly statements from custodians and printed periodic performance reports from Biondo. Clients should carefully review all statements, especially comparing those received from the custodian with those received from Biondo.

Investment Discretion

Biondo only accepts accounts when it is given specific trading authorization. The firm accepts certain limitations on such discretion, for example, investment restrictions or prohibitions as determined by individual clients. These limitations will be agreed upon at the outset of the relationship and are subject to change, with notice from the client. The client is requested to verify or change any restrictions annually in writing. Client restrictions may include specific securities or sectors or maintenance of certain cash amounts. Clients are required to sign a Discretionary Investment Management Agreement authorizing Biondo to assume discretionary authority.

Voting Client Securities

Usually proxy voting will be at the discretion of Biondo, unless otherwise directed by client request in writing. Clients are permitted to place reasonable restrictions on Biondo's voting authority in the same manner that they may place restrictions on the actual selection of account securities. Clients may contact Biondo directly at 570-296-5525 or 877-246-6367 to obtain information on how Biondo voted a specific proxy on behalf of the client. Biondo's policy is to vote proxies in the best economic interest of the client, and not in the interest of the firm. While it is unlikely that there will be a material conflict when voting client proxies, a conflict could arise from time to time. If it is appropriate to obtain a client's informed consent, Biondo will provide the client with sufficient information regarding the matter and nature of the conflict to enable the client to make an informed decision. Clients may receive a complete copy of Biondo's proxy voting policy upon request at any time.

If a client does not give Biondo authority to vote proxies on their behalf, that client will receive proxies or other solicitations directly from their custodian. Clients may contact Biondo at 570-296-5525 or 877-246-6367 with questions about a particular solicitation.

Financial Information

- Biondo does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.
- Biondo knows of no financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.
- Biondo has not been the subject of a bankruptcy petition at any time during the last ten years.

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WRAP FEE PROGRAM BROCHURE

FORM ADV: PART 2A APPENDIX I

This wrap fee program brochure provides information about the qualifications and business practices of Biondo Investment Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at 570.296.5525 or team@thebiondogroup.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

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August 15, 2011

Material Changes

Only the material changes since our last annual update on March 30, 2011 are listed.
Please review the entire document for our current wrap fee program information.

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Services, Fees and Compensation

Biondo Investment Advisors, LLC (Biondo) sponsors a wrap fee program, Biondo Advisors Managed Account Program. On a fee for service basis, separate account portfolios are customized for clients based on investment objectives, risk tolerance and liquidity requirements. Biondo shall provide a copy of its Wrap Fee Program Brochure, Form ADV Part 2A Appendix 1, and its privacy policy to each client prior to, or at the same time as the Investment Management Agreement is signed. Transactions for the Biondo Managed Account Program are processed without any commission charges to the account.

Wrap Fee Account Fee Schedules

	Balanced Allocation	Equity Allocation	Focus Strategy
< \$1,000,000	1.50%	1.75%	2.00%
\$1,000,001 - \$5,000,000	1.00%	1.25%	1.75%
\$5,000,001 - \$10,000,000	0.50%	0.75%	1.50%
\$10,000,001 and over	Negotiated Fee Rate – All Strategies & Allocations		

Institutional Fee Schedule

\$1,000,000 - \$5,000,000	1.00%
\$5,000,001 - \$10,000,000	0.70%
\$10,000,001 - \$20,000,000	0.40%
Over \$20,000,001	Negotiated Fee Rate

Fees may vary from this schedule due to specific circumstances of the client or as otherwise negotiated with particular clients. Fees are detailed in each client Investment Management Agreement. Specific circumstances can include, but are not limited to: the existence of other accounts with Biondo or its affiliates, percentage of asset allocation dedicated to fixed income, and fee schedules negotiated prior to the existence of the fee schedule provided above. Portfolio managers receive approximately 20% of fees charged to clients for the management of their accounts.

Advisory services fees are payable quarterly, in advance, based on an account's gross market value on the last business day of the previous calendar quarter. Gross market value is the total value of all cash and securities in the account without deduction of any margin

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balance. Accounts accepted during a quarter will be charged a pro-rated fee for that quarter.

Clients with multiple accounts, or clients with multiple accounts for various individuals in their immediate household, living at the same address, will be considered in total for the purpose of reaching breakpoints in the fee schedule. Corporate and Trust Accounts reporting under tax identification numbers, not Social Security numbers, will not be added to a household's total for breakpoint purposes. Certain accounts of Biondo or its affiliates, former employees or their relatives, and current employees or their relatives may be managed by Biondo for a reduced fee. Biondo advisory fees are, in general, based on assets under management. The fee schedule is reviewed on a periodic basis.

Biondo's fees are automatically deducted quarterly from the client's account during the first month of a quarter unless the client has specifically requested, in writing, to be billed. Billed clients are mailed or electronically delivered an invoice in the first week of a quarter. Institutional clients receive invoices and may request alternate payment schedules. Fees are due 30 days after receipt of Biondo's invoice.

Biondo's services may be terminated by either party with written notice as explained in the client's Investment Management Agreement. Since Biondo's fees are due and payable in advance, there are times a client may be entitled to a refund. Fee refunds are pro-rated for actual calendar days under management. Refunds are calculated during the account termination process and are credited to the account, or paid within thirty days of the account termination.

Biondo and its supervised persons do not accept compensation for the sale of securities, including asset-based sales charges, or sell other investment products. Biondo Asset Management, LLC, a broker-dealer affiliate of The Biondo Group, LLC receives 20% of client fees for processing client transactions.

Biondo advises The Biondo Growth Fund and The Biondo Focus Fund which are distributed by Northern Lights Distributors, LLC. A copy of the prospectus for either Fund, containing information on investment objectives, risks, charges and expenses, can be obtained by calling 1-800-672-9152 or by download at www.thebiondogroup.com. The Biondo Growth Fund, an all cap, non-diversified, open-end investment company that seeks capital appreciation, pays Biondo a management fee equal to 1.00% of the average daily net assets of the Fund. The Biondo Focus Fund, an all cap concentrated, non-diversified, open-end investment company that seeks long term capital appreciation, pays Biondo a management fee equal to 1.50% of the average daily net assets of the Fund.

Since the brokerage fees received by Biondo Asset Management, LLC are based on a percentage of client fees and not trading activity, any potential conflict of interest of these payments is minimized. The relationship between Biondo and Biondo Asset Management, LLC is disclosed to clients in the Investment Advisory Agreement and clients are given the option of directing brokerage to non-affiliated firms.

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The Biondo Growth Fund and The Biondo Focus Fund are not available in managed accounts.

Biondo does not primarily recommend mutual funds.

All of Biondo's revenue from advisory clients comes from fees, not from commissions or compensation for the sale of investment products that are recommended to advisory clients.

Biondo does not charge advisory fees in addition to commissions or markups for wrap fee clients.

Institutional clients and clients directing brokerage to non-affiliated firms may be charged commissions or markups.

Fee schedules are negotiable.

Biondo and its supervised persons do not accept performance-based fees based on a share of capital gains on, or capital appreciation of, the assets of an advisory client.

Costs under the Wrap Fee Schedule may be more or less than purchasing services separately. The cost of providing all services separately would be affected by individual charges for custody, interest and dividend processing, disbursements, statements, valuation, advice and trading. These costs are also influenced by the number of securities in a portfolio and the amount of trading.

In addition to the wrap fee, there are times when a client will incur additional fees. Account assets invested in shares of mutual funds or other investment companies will be included in calculating the gross value of an account for purposes of computing Biondo's fees. The same assets will also be subject additional advisory and other fees and expenses, as set forth in the prospectuses of those funds, paid by the funds but ultimately paid by the investor. Clients, who direct brokerage or select alternative custodians may also incur brokerage, other transaction and custodial costs and fees. Clients will also pay a mark-up or mark-down or spread to market makers processing securities transactions. Biondo's current custodian, National Financial Services, LLC, charges account termination and transfer fees that are passed along to Biondo's clients. The amount of these fees is disclosed upon opening an account and annually.

The advisor recommending the program may be compensated as a result of a client's participation in Biondo's wrap fee program. The amount of this compensation may be more than what the employee would receive if the client paid separately for investment advice, brokerage or other services, or purchased The Biondo Growth Fund or The Biondo Focus Fund. This may create a financial incentive to recommend the wrap fee program over other programs or services of Biondo and could be a potential conflict of interest. Biondo has established policies and procedures that monitor employees' attention to fiduciary responsibilities, and that any investment program recommended is in the best interest of each client.

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Account Requirements and Types of Clients

As a condition for starting and maintaining a relationship, Biondo requires a one million dollar minimum client portfolio size. This minimum may be reached by one or several accounts within a household relationship. At Biondo's discretion, the minimum may be waived. Clients with investment horizons of less than three years are generally considered unsuitable for participation in Biondo's investment strategies.

Biondo provides investment advice to individuals, investment companies, pension and profit sharing plans, trusts, estates, charitable organizations, corporations or other business entities, educational institutions, endowments and foundations. Biondo also provides investment advice to clients through its participation in Wrap Fee Programs at UBS Financial, Morgan Stanley Smith Barney, Raymond James and ENVESTNET.

Portfolio Manager Selection and Evaluation

Investments for portfolios are determined by Portfolio Managers, who apply standards and practices established by the firm in analyzing and making investment decisions. Portfolio Managers are required to have a relevant university degree and/or extensive industry experience and/or extensive knowledge and understanding of portfolio management theory and investing portfolios. All Biondo employees are encouraged to supplement their formal education and experience through various industry-related educational programs. Joseph R. Biondo and Joseph P. Biondo co-manage client portfolios. Managers are reviewed annually by Biondo's Investment Committee and will be replaced if long term performance and/or stability of portfolios are unsatisfactory. Portfolio Managers make investment decisions collaboratively for all clients.

Portfolio manager performance is monitored through programs supplied by Market Street Advisors. Performance is compared to appropriate indexes for account allocations.

Performance results are reviewed quarterly to determine accuracy by Ashland Partners & Company LLP. Performance is presented as both gross and net of fees. Performance results are compliant with Global Investment Performance Standards (GIPS).

Biondo's only investment strategies are those developed by Joseph R. Biondo and Joseph P. Biondo. They are the firm's two portfolio managers. This arrangement creates a conflict of interest in that portfolio managers could place their own or Biondo's interests before a client's interest. The potential conflicts and how they are addressed by Biondo's Code of Ethics is more fully described in the Additional Information section.

Advisory Business

Biondo provides investment supervisory services to approximately 85% of its firm assets. "Investment supervisory services" means the giving of continuous advice as to the investment of funds on the basis of the individual needs of each client. Biondo manages

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separate accounts on a discretionary, fee-for-service basis as a percentage of assets under management. Portfolio Managers have authority to determine, without specific client

consent, both the specific securities and the dollar amount to be bought or sold. Managed accounts are generally Wrap Fee Accounts unless other arrangements are made. Fifteen percent of Biondo's assets do not involve investment supervisory services.

The type of investments on which Biondo offers advice includes:

- equity securities (exchange-listed, over-the-counter, and foreign issued),
- warrants,
- corporate debt securities (other than commercial paper),
- commercial paper,
- certificates of deposit,
- municipal securities,
- mutual fund shares,
- United States governmental securities, and
- options contracts on securities.

Biondo tailors its advisory services to the individual needs of clients by reviewing a client's personal information, goals and risk tolerance before the client enrolls in any sponsored program. Biondo's Investment Management Agreement includes a disclosure statement and a suitability questionnaire that all potential clients are asked to complete. Clients may impose restrictions on investing in certain securities or types of securities as part of this initial review, and may impose restrictions on their accounts at any time. Clients are requested to inform Biondo of any changes in the information provided at account inception and to review this information at least annually in writing.

Biondo participates in Wrap Fee Programs by providing portfolio management services. Biondo manages wrap fee accounts in the same way as it does other client accounts. The fee schedule for management of wrap fee accounts is different. Biondo receives a portion of the wrap fee for its services. A full description of fee calculation and compensation appears previously on page 3.

Performance Based Fees and Side by Side Management

Biondo and its supervised persons do not accept performance-based fees based on a share of capital gains on, or capital appreciation of, the assets of an advisory account.

Methods of Analysis, Investment Strategies and Risk of Loss

Biondo pursues a stock selection discipline that seeks to identify companies over the capitalization spectrum with exceptional growth potential. Biondo analyzes the strengths of each identified company using fundamental analysis, which emphasizes management's integrity and capabilities, product strength, competition, research and development practices and future growth prospects. Charting and technical analysis are also used.

Main sources of information include financial newspapers and magazines, inspections of corporate activities, research materials prepared and provided by others (including purchased services), corporate rating services, annual reports, prospectuses, filings with the

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Securities and Exchange Commission (SEC), and company press releases. Biondo also attends corporate presentations at conferences and will occasionally visit the corporate headquarters of companies in which it has investment interest.

Investing in securities involves risk of loss that clients should be prepared to bear. Clients with investment horizons of less than three years are generally considered unsuitable for participation in Biondo's investment strategies.

Biondo's investment strategies include transactions in which securities are held at least a year, securities sold within a year, and securities sold within 30 days. (Biondo generally holds portfolio securities longer than a year, but securities held less than a year incur greater tax consequences.) Transactions can also include short sales, options and trading on margin.

- A short sale consists of selling borrowed shares in the hope that they can be bought back later at a lower price. Short sales have unlimited risk.
- Options are contracts that provide the holder the right to purchase or sell the underlying security. Trading options involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments.
- Trading on margin can magnify gains and losses.

Fixed income components are intended to provide maximum current income with minimum credit risk, but clients should note there is still some risk to fixed income components.

Biondo does not guarantee:

- the future performance of the client's account or any specific level of performance,
- the success of any investment decision or strategy, or
- the success of Biondo's overall management of the client's account.

Investment decisions are subject to various market, currency, credit, economic, political and business risks. Biondo's investment decisions will not always be profitable.

Biondo will manage only the securities, cash and other investments held in the client's account. In making investment decisions for the account, Biondo will not consider any other securities, cash or other investments owned by the client.

Biondo's investment strategies include:

Growth Strategy: a portfolio of generally less than 35 stocks with an asset allocation guideline of 70% to 100% invested in equities and the remainder invested in high quality fixed income securities. The investment strategy pursues stocks with growth characteristics in all market capitalizations. The fixed income investments are investment grade or better with an intermediate average duration. A 10% to 20% fluctuation from the target asset allocation percentages and up to 20% margin may occur based on client circumstances and

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short term situations. Call options may be sold and put options purchased against stock positions in the portfolio. *(Previously called the Biondo All Cap Growth Strategy)*

Focus Strategy: a portfolio of generally 25 or less securities that pursues stocks with growth characteristics in all market capitalizations. Up to 20% margin may occur based on client circumstances and short term situations. Call options may be sold and put options purchased against stock positions in the portfolio. Put options may be sold and securities sold short.

Large Cap Growth Strategy: a portfolio of generally 40 or less securities that pursues stocks with growth characteristics and a market capitalization greater than \$10 billion. Up to 20% margin may occur based on client circumstances and short term situations. Call options may be sold against stock positions in the portfolio.

Mid Cap Growth Strategy: a portfolio of generally 40 or less securities that pursues stocks with growth characteristics and a market capitalization between \$2.5 billion to \$10 billion. Up to 20% margin may occur based on client circumstances and short term situations. Call options may be sold against stock positions in the portfolio.

Small Cap Growth Strategy: a portfolio of generally 40 or less securities that pursues stocks with growth characteristics and a market capitalization of less than \$2.5 billion. Up to 20% margin may occur based on client circumstances and short term situations. Call options may be sold against stock positions in the portfolio.

Moderate Growth Strategy: a portfolio of generally less than 35 growth stocks with a general asset allocation guideline of less than 60% invested in equities and the remainder invested in high quality fixed income securities. Stocks in all market capitalizations are pursued. The fixed income investments are investment grade or better with an intermediate average duration. A 10% to 20% fluctuation from the target asset allocation percentages and up to 20% margin may occur based on client circumstances and short term situations. Call options may be sold against stock positions in the portfolio. *(This newly introduced strategy is similar to the Growth Strategy but has a larger percentage of fixed income allocation than the Growth Strategy).*

Growth and Income Strategy: a portfolio of generally less than 35 growth and dividend paying stocks and a general asset allocation guideline of 10% to 50% invested in equities with the remainder invested in high quality fixed income securities. The strategy pursues a combination of primarily large capitalization growth stocks and dividend paying stocks with lower P/E multiples. The fixed income investments are investment grade or better with an intermediate average duration. A 10% to 20% fluctuation from the target asset allocation percentages may occur based on client circumstances and short term situations. Call options may be sold against stock positions in the portfolio.

Voting Client Securities

Usually proxy voting will be at the discretion of Biondo, unless otherwise directed by client request in writing. Clients are permitted to place reasonable restrictions on Biondo's voting authority in the same manner that they may place restrictions on the actual selection of account securities. Clients may contact Biondo directly at 570-296-5525 or 877-246-6367 to obtain information on how Biondo voted a specific proxy on behalf of the client. Biondo's policy is to vote proxies in the best economic interest of the client, and not in the interest of the firm. While it is unlikely that there will be a material conflict when voting client proxies, a conflict could arise from time to time. If it is appropriate to obtain a client's informed consent, Biondo will provide the client with sufficient information regarding the matter and nature of the conflict to enable the client to make an informed decision. Clients may receive a complete copy of Biondo's proxy voting policy upon request at any time.

If a client does not give Biondo authority to vote proxies on their behalf, that client will receive proxies or other solicitations directly from their custodian. Clients may contact Biondo at 570-296-5525 or 877-246-6367 with questions about a particular solicitation.

Client Information Provided to Portfolio Managers

Portfolio Managers are given the income, net worth, age, employment status, goals, any restrictions, asset allocation and suitability for each client. This information is updated as the client communicates a change. Additionally, updates are directly requested from all clients at least annually.

Client Contact with Portfolio Managers

Portfolio Managers are available for consultation during business hours by telephone, or by appointment.

Additional Information

Disciplinary Information

Biondo and its management persons have no material disciplinary events to disclose.

Other Financial Industry Activities and Affiliations

Biondo is a wholly owned subsidiary of The Biondo Group, LLC. The Biondo Group, LLC is also the owner of Biondo Asset Management, LLC, a registered broker-dealer and member of FINRA and SIPC.

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Biondo will generally direct brokerage through Biondo Asset Management, unless otherwise requested by an individual client. Biondo also pays 20% of client fees to Biondo Asset Management for processing client transactions. Biondo Asset Management will also transact securities transactions for compensation for clients in accounts that are not a part of the Managed Account Program. Some employees are registered and compensated by both Biondo and Biondo Asset Management through The Biondo Group. Any possible conflict of interest in this relationship is avoided by giving clients the option of directing brokerage to a non-affiliated firm.

Biondo and its management persons have no other relationships that are material to its advisory business or to its clients.

Code of Ethics

Biondo has adopted a code of ethics, pursuant to Section 204A-1 of the Investment Advisor Act of 1940, as amended that ensures that the personal securities transactions of Biondo's principals, employees and affiliates do not conflict with transactions affected on behalf of clients. The Code of Ethics is based on the principles that Biondo will:

- place the interest of the clients first;
- avoid taking inappropriate advantage of their positions within Biondo;
- conduct any personal securities transactions in full compliance with the Code.

Clients or prospective clients will be sent a copy of Biondo's Code of Ethics at any time upon request.

Biondo does not recommend securities to managed clients in which Biondo or its officers or employees have a material financial interest.

Biondo does not buy or sell securities from or to any investment advisory client. However, officers or employees of Biondo may buy or sell or hold positions in securities recommended to clients, including buying securities that are being sold for certain clients and selling securities that are being purchased for certain clients. Biondo seeks to ensure that it, or its affiliates or employees, does not wrongfully benefit from the short-term effects of their recommendations. If an officer or employee is placing a trade for a security, they must file a pre-clearance trade request with the Chief Compliance Officer, or in her absence, the Chief Investment Officer. If the employee's trade is approved, clients' trades are placed first if possible. In some circumstances, client and employee trades may be part of a block trade with the final trade price calculated as an average price of all executions. If any employee receives a better price on a transaction, that transaction price is given to a client if the executions were transacted by the same broker. If it is not possible to reallocate a transaction in which an employee received a better price than a client, the employee's trade will be cancelled. The employee would then be required to re-file a pre-clearance trade request.

Accounts of Biondo, its affiliates or employees are managed along with other accounts in such a way that the internal account does not receive favorable treatment over other client accounts.

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The Compliance Department of Biondo, in order to monitor compliance with Biondo's personal trading policies and restrictions, requires all personnel to have duplicate statements and confirmations for any outside brokerage accounts they may have sent to the Compliance Department.

Additionally, also in accordance with Section 204A of the Investment Advisor Act of 1940, as amended, Biondo also maintains and enforces policies reasonably designed to prevent the unlawful use of material, non-public information by Biondo or any of its principals or employees.

Review of Accounts

Biondo's portfolio managers and associates are generally responsible for reviewing client portfolios. The portfolios are structured in accordance with the investment objectives of the clients and any restrictions imposed on the managers, described in the new account documents. Generally, portfolios are reviewed quarterly at a minimum and with greater frequency as changes occur in the holdings. The process is facilitated utilizing the portfolio management system of Market Street Advisors. Portfolio managers and associates may meet or consult with clients of the firm in person or by phone. All clients are encouraged to communicate regularly with their portfolio manager and associates. These meetings or consultations may involve investment philosophy discussions, investment policy decisions, individual securities and client questions. On a daily basis The Biondo Growth Fund (BIONX) and The Biondo Focus Fund (BFONX) are reviewed by the portfolio managers and associates for both security weightings and exposure. Fund values are available online at Yahoo! Finance or other similar sites.

Portfolio changes, security values, deposits greater than 5%, withdrawals and client objectives are among the other factors which will serve as cause for a portfolio review.

Biondo makes arrangements for its clearance agent to furnish clients with written confirmations of transactions and debit/credit advice for any transaction for which Biondo has placed an order. Each client has particular needs which determine the frequency and nature of reporting. Generally, clients or their custodians will receive printed monthly statements and printed periodic performance reports no less than annually. Monthly statements include portfolio balances, positions and transaction detail for the period. Performance reports compare portfolio returns with appropriate benchmarks for standard reporting periods (i.e. one, three, six months; year to date; one, five, ten years; and since inception). They also list beginning values, net additions and withdrawals, appreciation and ending values for each period. Additionally, through regular phone conversations and in person meetings, clients and Biondo are able to exchange information that allows goals, objectives and investment strategy to remain current. Biondo Family of Funds' clients receive annual and semi-annual printed fund reports, outlining positions, sector exposure and the performance for the fund.

Client Referrals and Other Compensation

Biondo does not receive economic benefit from anyone who is not a client for providing investment advice or other advisory services to its clients.

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Biondo does not employ the services of third-party or unaffiliated solicitors for referrals of advisory clients to the firm.

Financial Information

- Biondo does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.
- Biondo knows of no financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.
- Biondo has not been the subject of a bankruptcy petition at any time during the last ten years.