

FORM ADV**Uniform Application for Investment Adviser Registration****Part II - Page 1****OMB APPROVAL**

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Name of Investment Adviser:

Biltmore Capital Advisors, LLC

Address: (Number and Street)

(City)

(State)

(Zip Code)

Area Code: Telephone Number:

2611 Internet Blvd., Suite 110**Frisco****TX****75034****(866) 980-3336**

**This part of Form ADV gives information about the investment adviser and its business for the use of clients.
The information has not been approved or verified by any governmental authority.**

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(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

Potential persons who are to respond to the collection of information contained in this form
are not required to respond unless the form displays a currently valid OMB control number.

FORM ADV**Part II - Page 2**

Applicant:

Biltmore Capital Advisors, LLC

SEC File Number:

801- **68057**

Date:

04/15/2008**1. A. Advisory Services and Fees.** (check the applicable boxes)For each type of service provided, state the approximate % of total advisory billings from that service.
(See instruction below.)**Applicant:**

- | | | | |
|-------------------------------------|-----|---|------------|
| <input checked="" type="checkbox"/> | (1) | Provides investment supervisory services | <u>20%</u> |
| <input checked="" type="checkbox"/> | (2) | Manages investment advisory accounts not involving investment supervisory services | <u>20%</u> |
| <input checked="" type="checkbox"/> | (3) | Furnishes investment advice through consultations not included in either service described above | <u>60%</u> |
| <input type="checkbox"/> | (4) | Issues periodicals about securities by subscription | <u>%</u> |
| <input type="checkbox"/> | (5) | Issues special reports about securities not included in any service described above | <u>%</u> |
| <input type="checkbox"/> | (6) | Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities | <u>%</u> |
| <input type="checkbox"/> | (7) | On more than an occasional basis, furnishes advice to clients on matters not involving securities | <u>%</u> |
| <input type="checkbox"/> | (8) | Provides a timing service | <u>%</u> |
| <input type="checkbox"/> | (9) | Furnishes advice about securities in any manner not described above | <u>%</u> |

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

B. Does applicant call any of the services it checked above financial planning or some similar term?Yes ☐ No ☒**C.** Applicant offers investment advisory services for: (check all that apply)

- | | |
|---|--|
| <input checked="" type="checkbox"/> (1) A percentage of assets under management | <input type="checkbox"/> (4) Subscription fees |
| <input type="checkbox"/> (2) Hourly charges | <input type="checkbox"/> (5) Commissions |
| <input type="checkbox"/> (3) Fixed fees (not including subscription fees) | <input type="checkbox"/> (6) Other |

D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

2. Types of clients - Applicant generally provides investment advice to: (check those that apply)

- | | |
|--|--|
| <input checked="" type="checkbox"/> A. Individuals | <input checked="" type="checkbox"/> E. Trusts, estates, or charitable organizations |
| <input type="checkbox"/> B. Banks or thrift institutions | <input checked="" type="checkbox"/> F. Corporations or business entities other than those listed above |
| <input type="checkbox"/> C. Investment companies | <input type="checkbox"/> G. Other (describe on Schedule F) |
| <input type="checkbox"/> D. Pension and profit sharing plans | |

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

FORM ADV**Part II - Page 3**

Applicant:

Biltmore Capital Advisors, LLC

SEC File Number:

801- **68057**

Date:

04/15/2008**3. Types of Investments.** Applicant offers advice on the following: (check those that apply)

- | | |
|--|--|
| <input checked="" type="checkbox"/> A. Equity securities | <input checked="" type="checkbox"/> H. United States government securities |
| <input checked="" type="checkbox"/> (1) exchange-listed securities | |
| <input checked="" type="checkbox"/> (2) securities traded over-the-counter | I. Options contracts on: |
| <input checked="" type="checkbox"/> (3) foreign issues | <input checked="" type="checkbox"/> (1) securities |
| | <input type="checkbox"/> (2) commodities |
| <input type="checkbox"/> B. Warrants | J. Futures contracts on: |
| <input checked="" type="checkbox"/> C. Corporate debt securities | <input checked="" type="checkbox"/> (1) tangibles |
| (other than commercial paper) | <input checked="" type="checkbox"/> (2) intangibles |
| <input checked="" type="checkbox"/> D. Commercial paper | K. Interests in partnerships investing in: |
| <input checked="" type="checkbox"/> E. Certificates of deposit | <input checked="" type="checkbox"/> (1) real estate |
| <input checked="" type="checkbox"/> F. Municipal securities | <input checked="" type="checkbox"/> (2) oil and gas interests |
| | <input checked="" type="checkbox"/> (3) other (explain on Schedule F) |
| G. Investment company securities: | <input checked="" type="checkbox"/> L. Other (explain on Schedule F) |
| <input checked="" type="checkbox"/> (1) variable life insurance | |
| <input checked="" type="checkbox"/> (2) variable annuities | |
| <input checked="" type="checkbox"/> (3) mutual fund shares | |

4. Methods of Analysis, Sources of Information, and Investment Strategies.

A. Applicant's security analysis methods include: (check those that apply)

- | | |
|---|---|
| (1) <input type="checkbox"/> Charting | (4) <input type="checkbox"/> Cyclical |
| (2) <input checked="" type="checkbox"/> Fundamental | (5) <input checked="" type="checkbox"/> Other (explain on Schedule F) |
| (3) <input type="checkbox"/> Technical | |

B. The main sources of information applicant uses include: (check those that apply)

- | | |
|---|---|
| (1) <input checked="" type="checkbox"/> Financial newspapers and magazines | (5) <input type="checkbox"/> Timing services |
| (2) <input type="checkbox"/> Inspections of corporate activities | (6) <input checked="" type="checkbox"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | (7) <input checked="" type="checkbox"/> Company press releases |
| (4) <input checked="" type="checkbox"/> Corporate rating services | (8) <input type="checkbox"/> Other (explain on Schedule F) |

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- | | |
|--|--|
| (1) <input checked="" type="checkbox"/> Long term purchases
(securities held at least a year) | (5) <input checked="" type="checkbox"/> Margin transactions |
| (2) <input checked="" type="checkbox"/> Short term purchases
(securities sold within a year) | (6) <input checked="" type="checkbox"/> Option writing, including covered options, uncovered options or spreading strategies |
| (3) <input checked="" type="checkbox"/> Trading (securities sold within 30 days) | (7) <input checked="" type="checkbox"/> Other (explain on Schedule F) |
| (4) <input checked="" type="checkbox"/> Short sales | |

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

FORM ADV**Part II - Page 4**

Applicant:

Biltmore Capital Advisors, LLC

SEC File Number:

801- **68057**

Date:

04/15/2008**5. Education and Business Standards.**

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients?

Yes No
☐ ☒

(If yes, describe these standards on Schedule F.)

6. Education and Business Background.

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- | | |
|-----------------|--|
| • name | • formal education after high school |
| • year of birth | • business background for the preceding five years |

7. Other Business Activities. (check those that apply)

- ☐ A. Applicant is actively engaged in a business other than giving investment advice.
- ☐ B. Applicant sells products or services other than investment advice to clients.
- ☐ C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

8. Other Financial Industry Activities or Affiliations. (check those that apply)

- ☐ A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- ☐ B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.
- C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:
- | | |
|--|--|
| <input type="checkbox"/> (1) broker-dealer | <input type="checkbox"/> (7) accounting firm |
| <input type="checkbox"/> (2) investment company | <input type="checkbox"/> (8) law firm |
| <input type="checkbox"/> (3) other investment adviser | <input type="checkbox"/> (9) insurance company or agency |
| <input type="checkbox"/> (4) financial planning firm | <input type="checkbox"/> (10) pension consultant |
| <input type="checkbox"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant | <input type="checkbox"/> (11) real estate broker or dealer |
| <input type="checkbox"/> (6) banking or thrift institution | <input type="checkbox"/> (12) entity that creates or packages limited partnerships |

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

- D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest?.....

Yes No
☐ ☒

(If yes, describe on Schedule F the partnerships and what they invest in.)

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

FORM ADV

Part II - Page 5

Applicant:

Biltmore Capital Advisors, LLC

SEC File Number:

801- 68057

Date:

04/15/2008

9. Participation or Interest in Client Transactions.

Applicant or a related person: (check those that apply)

- ☐ A. As principal, buys securities for itself from or sells securities it owns to any client.
- ☒ B. As broker or agent effects securities transactions for compensation for any client.
- ☐ C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- ☐ D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- ☒ E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

Describe, on Schedule F, your code of ethics, and state that you will provide a copy of your code of ethics to any client or prospective client upon request.

- 10. Conditions for Managing Accounts.** Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services *and* impose a minimum dollar value of assets or other conditions for starting or maintaining an account?

Yes No
☒ ☐

(If yes, describe on Schedule F.)

- 11. Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

- A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggering factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

Client accounts are reviewed semiannually by Biltmore's Investment Adviser Representatives. Portfolios are reviewed for performance levels relative to achievement of client goals in the context of their risk tolerance. There is no minimum number of accounts assigned to the reviewer. More frequent reviews may be triggered by factors including, but not limited to, client's comfort level with the strategy, life changing events, changing markets which may dictate different strategies, and the availability of new products that may enhance portfolios.

- B. Describe below the nature and frequency of regular reports to clients on their accounts.

Each client account receives a trade confirmation on each purchase and sale as transactions occur. Each client receives monthly statements from their custodian reflecting the account activity and holdings for each month where there is account activity. For accounts with no monthly activity, clients are sent a quarterly statement detailing the activity and holdings held in the account.

Applicant:

Biltmore Capital Advisors, LLC

SEC File Number:

801- 68057

Date:

04/15/2008

12. Investment or Brokerage Discretion.

A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:

(1) securities to be bought or sold?

Yes No

☒ ☐

(2) amount of the securities to be bought or sold ?

Yes No

☒ ☐

(3) broker or dealer to be used ?

Yes No

☐ ☒

(4) commission rates paid?

Yes No

☐ ☒

B. Does applicant or a related person suggest brokers to clients?

Yes No

☒ ☐

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for products and research services received.

13. Additional Compensation.

Does the applicant or a related person have any arrangements, oral or in writing, where it:

A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients?

Yes No

☒ ☐

B. directly or indirectly compensates any person for client referrals?

Yes No

☐ ☒

(For each yes, describe the arrangements on Schedule F.)

14. Balance Sheet. Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities unless applicant is registered or registering only with the Securities and Exchange Commission; or
- requires prepayment of more than \$500 in fees per client and 6 or more months in advance

Has applicant provided a Schedule G balance sheet?

Yes No

☐ ☒

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:	SEC File Number:	Date:
Biltmore Capital Advisors, LLC	801- 68057	04/15/2008

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:

Biltmore Capital Advisors, LLC

IRS Empl. Ident.No.:

20-8856617

Item of Form (identify)	Answer
Item 1.D.	<p style="text-align: center;"><u>ADVISORY SERVICES AND FEES</u></p> <p>Biltmore Capital Advisors, LLC ("Biltmore") is a limited liability company registered with the Securities and Exchange Commission as an Investment Adviser. Biltmore provides professional asset management through proprietary asset allocation models and third party services to individuals, trusts, estates and business entities. Biltmore prefers that all clients seeking asset management services begin with an Investment Policy Statement which addresses the standards of investments to be used, the scope of ongoing monitoring and the services to be rendered.</p> <p><i>PORTFOLIO MANAGEMENT SERVICES</i></p> <p>Biltmore utilizes the services of FSC Securities ("FSC"), member NASD & SIPC and Schwab Institutional Division of Charles Schwab & Co., Inc. ("Schwab"), a registered broker-dealer, member SIPC, such as asset allocation planning software, execution, clearing and custodial services, to provide investment management of client assets ("Portfolio Management Services"). The planning software enables Biltmore to utilize client risk tolerance assessment, efficient frontier plotting, fund profiling and performance data, as well as portfolio optimization and re-balancing tools to create asset allocation strategies suitable for client accounts.</p> <p>Biltmore offers Portfolio Management Services to its advisory clients on both a nondiscretionary and discretionary basis. Biltmore investment adviser representatives ("IARs") act as portfolio managers for these accounts. In a non-discretionary account, the IAR will recommend the purchase or sale of securities for review and approval by their clients. The IARs will only purchase or sell securities which have been approved by clients in advance. Alternatively, clients may maintain an account on a discretionary basis if (1) the IAR of the account has been authorized by Biltmore to manage accounts on a discretionary basis and (2) the client has granted discretionary authority to the IAR in the client advisory agreement. The purchase and sale of securities in such accounts do not require advance client approval. Portfolio Management Services may be obtained in conjunction with Financial Planning Services or may be purchased separately.</p> <p>Biltmore works with clients to identify their investment goals and objectives, as well as risk tolerance, in order to create an initial portfolio allocation designed to complement the client's financial situation and personal circumstances. Portfolios primarily include, but are not limited to, mutual funds, Exchange Traded Funds ("ETFs"), individual equities, variable annuities, real estate investment trusts, and/or alternative investments in accordance with target allocations and are managed within the guidelines of pre-established allocation ranges. Primary diversification occurs across asset classes in the form of equities versus fixed income with secondary diversification achieved within asset classes. Equity funds are diversified across size, style, sector and geography. Fixed income funds are diversified across term, quality, sector, and geography. Portfolios are generally rebalanced every 12 – 18 months.</p> <p>The investment strategies utilized and portfolios constructed and managed depend on the individual client's investment objectives and goals as provided to Biltmore. Model portfolios, sub-advisers, options, and/or margin may be used as a part of this strategy. However, each client has the opportunity to place reasonable restrictions on the type of and percentage of individual investments to be held in the portfolio. The IAR may periodically rebalance the client's account to maintain the initially agreed upon strategic and tactical asset allocation.</p>

Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:

Biltmore Capital Advisors, LLC

SEC File Number:

801- 68057

Date:

04/15/2008

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:

Biltmore Capital Advisors, LLC

IRS Empl. Ident.No.:

20-8856617

Item of Form
(identify)

Answer

Item 1.D. continued

Clients have ready access to their IAR. Biltmore's IARs are not required to be available for unscheduled or unannounced visits by clients. However, IARs are expected to periodically meet with clients and should generally be available to take client telephone calls on advisory-related matters.

Wrap pricing structures are available through Biltmore's Portfolio Management Services Program and FSC's Vision2020 Program and allow the client to pay an all-inclusive fee for management, brokerage, clearance, custody and administrative services. Clients who select the Wrap Fee Option pay a single, all-inclusive fee according to the following schedule:

Wrap Fee Schedule

Total Account Value	Maximum Total Account Fee* Paid by Client
\$500,000 - \$1,000,000	1.50%
\$1,000,001 - \$7,000,000	1.25%
\$7,000,001 - \$10,000,000	1.00%
Over \$10,000,000	Negotiable

*Minimum fee is \$3,500. Account minimums and fees may be waived or reduced at the sole discretion of Biltmore.

For further details on Biltmore's Portfolio Management Services Program or the Vision2020 Program, including a more complete description of fees and services, please refer to Biltmore's Portfolio Management Services Program Schedule H Wrap Brochure, FSC's Vision2020 Program Schedule H Wrap Brochure, and your client agreement.

TRADING ADVICE ON UNSUPERVISED ASSETS

Clients may hold assets in their advisory accounts that are specifically excluded from ongoing investment management by Biltmore. Excluded assets may typically include, but are not limited to, large blocks of stock issued by the Client's employer. Clients may request advice on the purchase or sale of such assets or the writing of options strategies in relation to such assets on a periodic basis.

Clients are charged a flat fee for these services billed and payable quarterly in advance. Fees are negotiated annually and are based upon the level of service and complexity of the previous year's trading activity. Such fees currently range between \$500 and \$60,000. Advisory fees are in addition to and do not include any transaction fees charged by broker-dealers. Any unearned prepaid fees are refunded upon early termination of the Client Agreement.

THIRD PARTY INVESTMENT ADVISORY SERVICES

In addition to the aforementioned Portfolio Management Services, Biltmore has also entered into agreements with various other third party investment advisers ("Third Party Advisory Service") for the provision of certain investment advisory services. Biltmore's IARs will provide individualized advisory services to their clients through the selection of a suitable Third Party Advisory Service. Factors considered in the selection of a Third Party Advisory Service include but may not be limited to: i) each individual IAR's preference for a particular Third Party Advisory Service; ii) the client's risk tolerance, goals and objectives, as well as investment experience; and, iii) the amount of client assets available for

Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:	SEC File Number:	Date:
Biltmore Capital Advisors, LLC	801- 68057	04/15/2008

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Biltmore Capital Advisors, LLC		IRS Empl. Ident.No.: 20-8856617
Item of Form (identify)	Answer	
Item 1.D. continued	<p>investment. In order to assist clients in the selection of a Third Party Advisory Service, the IAR typically gathers information from the client about the client's financial situation, investment objectives, and reasonable restrictions the client wants imposed on the management of the account.</p> <p>All securities transactions are decided upon and executed by the Third Party Advisory Service. Typically, the third party investment manager exercises discretion in the management of client accounts. Biltmore and its IARs do not manage, or obtain discretionary authority over the assets in accounts participating in these programs; however, clients may grant IARs the discretionary authority to hire and fire such third party managers.</p> <p>Biltmore's IARs will periodically review reports provided to the client. IARs contact the client at least annually, or more often as agreed upon with each client, to review the client's financial situation and objectives, communicate information to the Third Party Advisory Service managing the account as warranted, and to assist the client in understanding and evaluating the services provided by the Third Party Advisory Service. Clients are expected to notify their IAR of any changes in their financial situation, investment objectives, or account restrictions.</p> <p>Please Note: When investing in mutual funds and variable annuities, clients are strongly encouraged to review the applicable prospectus. Mutual funds and variable annuities may impose certain restrictions on the frequency, timing and dollar amount of transactions and may impose penalty fees based upon short-term trading patterns. Such restrictions may impact the services provided by a Third Party Advisory Service.</p> <p>Compensation generally, consists of four elements: i) management and advisory fees shared by the Third Party Advisory Services, Biltmore, and its IARs; ii) transaction costs – if applicable – which may be paid to purchase and sell such securities; iii) custody fees; and iv) an additional administrative fee paid to FSC for its supervisory services. Clients may choose from a wrapped or non-wrapped pricing option. Wrap pricing structures allow the client to pay an all-inclusive fee for management, brokerage, clearance, custody and administrative services. As an alternative to the wrap pricing structure, the Third Party Advisory Service's fee may be separated from the advisory fee charged by the IAR and Biltmore. Transaction costs may also be charged for the execution and clearance of advisory transactions directed by such Third Party Advisory Services. Further, compensation to the IARs may be in the form of commissions earned in the underlying securities portfolios, which are managed by the Third Party Advisory Service. From Biltmore's share of the Third Party Advisory Fee, FSC may charge an additional administrative fee for its supervisory services.</p> <p>A complete description of the programs and services provided, the amount of total fees, the payment structure, termination provisions and other aspects of each program are detailed and disclosed in: i) the Third Party Investment Advisory Service's Form ADV Part II; ii) the program wrap brochure (if applicable) or other applicable disclosure documents; iii) the disclosure documents of the portfolio manager or managers selected; or, iv) the Third Party Advisory Service's account opening documents. A copy of all relevant disclosure documents of the Third Party Advisory Service and of the individual portfolio manager(s) will be provided to anyone interested in these programs/managers.</p>	

Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:	SEC File Number:	Date:
Biltmore Capital Advisors, LLC	801- 68057	04/15/2008

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Biltmore Capital Advisors, LLC	IRS Empl. Ident.No.: 20-8856617
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Item of Form (identify)	Answer
Item 1.D. continued	<p>GENERAL FEE INFORMATION</p> <p>Portfolio management fees are due and payable in advance. These fees are based upon the market value of the client's account assets as determined by the custodian as of the close of business on the last day of the previous calendar quarter. In computing the market value of assets, mutual fund shares are calculated at their respective net asset values as of the valuation date in accordance with each mutual fund prospectus. Any such valuation shall not be deemed a guarantee of any kind with respect to the value of those assets. Fees for the initial quarter are adjusted pro rata, based upon the number of calendar days in the calendar quarter that the advisory agreement becomes effective. Fees are negotiable and vary depending upon the complexity of the client situation and scope of the services provided.</p> <p>Fees are not charged on the basis of a share of capital gains, or capital appreciation of the funds, or any portion of the funds, of an advisory client. In addition to the fees described above, client accounts may be charged other fees by broker-dealers or custodians. Biltmore or its representatives do not receive any compensation from these charges.</p> <p>The advisory relationship may be terminated by the client or Biltmore in accordance with the provisions of the advisory agreement. The client typically receives a pro rata refund of any prepaid advisory fees. Any unpaid fees become immediately due and payable. Clients may terminate an advisory agreement without being assessed any fees or expenses within (5) business days of its signing.</p> <p>Generally, fees are automatically debited from client accounts pursuant to written authorization. Clients will receive an account statement from their custodian at least quarterly. The statement includes the amount of any fees paid directly to Biltmore. Clients should note that the same or similar services to those described above may be available elsewhere at a lower cost to the client.</p> <p>INTERNAL MUTUAL FUND & VARIABLE ANNUITY EXPENSES</p> <p>Generally, mutual fund and variable annuity companies impose internal fees and expenses on clients. Such fees are in addition to any program costs associated with the investment advisory services described above. Complete details of such internal expenses are specified and disclosed in each mutual fund and variable annuity company's prospectus. Clients are strongly advised to review the prospectus(es) prior to investing in such securities. In addition, variable annuity companies generally impose mortality charges on such accounts, of approximately 1.25% annually.</p> <p>Clients may purchase shares of mutual funds directly from the mutual fund issuer, its principal underwriter or a distributor without purchasing the services of Biltmore or paying the advisory fee on such shares (but subject to any applicable sales charges). Certain mutual funds are offered to the public without a sales charge. In the case of mutual funds offered with a sales charge, the prevailing sales charge (as described in the mutual fund prospectus) may be more or less than the applicable advisory fee. However, clients would not receive the IAR's assistance in developing an investment strategy, selecting securities, monitoring performance of the account, and making changes as necessary.</p> <p>PROXY VOTING AND CLASS ACTION LAWSUITS</p> <p>In general, Biltmore does not take any action or render any advice with respect to voting of proxies solicited by or with respect to the issuers of securities in which client assets may be invested. In addition, Biltmore does not take any action or render any advice with</p>

Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:	SEC File Number:	Date:
Biltmore Capital Advisors, LLC	801- 68057	04/15/2008

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Biltmore Capital Advisors, LLC		IRS Empl. Ident.No.: 20-8856617
Item of Form (identify)	Answer	
Item 1.D. continued	<p>respect to any securities held in any accounts that are named in or subject to class action lawsuits. Biltmore will, however, forward to clients any information received by Biltmore regarding class action legal matters involving any security held in client accounts.</p> <p><u>CLEARING AND CUSTODIAL ARRANGEMENTS</u></p> <p>FSC/Pershing, LLC ("Pershing") and Schwab may sponsor wrap programs, execute trades, settle securities transactions, and custody client assets on behalf of Biltmore clients using Portfolio Management Services. Each Third Party Advisory Service may maintain separate clearing and custodial relationships. For further details concerning these arrangements, clients should refer to the respective Form ADV Part II, Schedule H Wrap Brochure, client agreements and/or other related disclosure documents.</p>	
Item 3L	<p><u>TYPES OF INVESTMENTS</u></p> <p>Biltmore also offers investment advice on various types of alternative investments.</p>	
Item 4	<p><u>METHODS OF ANALYSIS, SOURCES OF INFORMATION, AND INVESTMENT STRATEGIES</u></p> <p>Biltmore has access to software tools that assist in analyzing client portfolios. Such software is based upon Modern Portfolio Theory (MPT). MPT attempts to balance a portfolios risk and return level based on a particular client's risk tolerance and investment objectives. Additional research is used in conjunction with the asset allocation software to provide clients with access to risk tolerance assessments, efficient frontier plotting, fund profiling and performance data, as well as portfolio optimization and re-balancing tools.</p> <p>Biltmore also uses the services of Third Party Advisory Services to implement IAR investment advice. Biltmore analyzes individual managers based upon their performance, track record, investment strategy, public reports on and comparison of managers, and or their disclosure documents.</p>	
Item 6	<p><u>EDUCATION AND BUSINESS BACKGROUND</u></p> <p>The following biographical information is provided for Biltmore's Principal Executive Officers and members of the investment committee:</p> <p>Daniel Tyler Vernon Year of Birth: 1977. Formal education after high school: BA - Economics & Business, Lafayette College, 1999. Business background for the preceding five years: Managing Member, Biltmore Capital Advisors, September 2007 to present; Vice President, Merrill Lynch, 2007-Present; Assistant Vice President, Merrill Lynch, 2005-2006; Senior Financial Advisor, Merrill Lynch, 2003-2004; Financial Consultant, 2001-2003, Merrill Lynch.</p> <p>Erin Theresa Botsford, CFP, CRPC Year of Birth: 1958. Formal education after high school: B.S. - Business, University of Maryland, 1987.</p>	

Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:	SEC File Number:	Date:
Biltmore Capital Advisors, LLC	801- 68057	04/15/2008

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Biltmore Capital Advisors, LLC		IRS Empl. Ident.No.: 20-8856617
Item of Form (identify)	Answer	
Item 6 continued	<p>Business background for the preceding five years: Managing Member, Biltmore Capital Advisors, May 2007 to present; Registered Representative, FSC Securities Corp. dba The Botsford Group, February 2006 to present; Registered Representative, Lincoln Financial dba The Botsford Group, 1995 to December 2005.</p> <p>Wesley Pingelton</p> <p>Year of Birth: 1978.</p> <p>Formal education after high school: B.S. – Business Administration, Oklahoma State University, 2002.</p> <p>Business background for the preceding five years: Chief Compliance Officer, Biltmore Capital Advisors, April 2008 to present; Registered Representative, FSC Securities Corp. dba The Botsford Group, 2006 to present; Registered Representative, Lincoln Financial dba The Botsford Group, 2003 to 2006.</p>	
Item 9.B.	<p><u>PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS</u></p> <p>As part of Biltmore's IARs' other business activities, they may effect securities transactions for or sell insurance products to clients. Biltmore may be receiving a fee for investment advice in advisory accounts and representatives may be receiving a commission for any transactions effected in FSC brokerage accounts. Biltmore will use industry standard fees and will keep evidence of such.</p>	
Item 9.E.	<p>Biltmore and its representatives may engage in personal securities transactions. The personal securities transactions of Biltmore and its representatives may raise potential conflicts of interest when such persons trade in a security that is 1) owned by a client or 2) considered for purchase or sale for a client. Biltmore has adopted policies and procedures that are intended to ensure that transactions are effected for clients in a manner that is consistent with the fiduciary duty and in accordance with applicable law. Persons who wish to purchase or sell securities of the types purchased or sold for clients may do so only in a manner consistent with Biltmore policies and procedures.</p>	
Item 9	<p><u>CODE OF ETHICS</u></p> <p>Biltmore has adopted a Code of Ethics (the "Code") to address securities-related conduct. The Code focuses primarily on fiduciary duty, personal securities transactions, insider trading, gifts, and conflicts of interest. The Code includes Biltmore's policies and procedures developed to protect client's interests in relation to the following topics:</p> <ul style="list-style-type: none"> • The duty at all times to place the interests of clients first; • The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the code of ethics and to avoid any actual or potential conflict of interest or any abuse of an employee's position of trust and responsibility; • The principle that investment adviser personnel should not take inappropriate advantage of their positions; • The fiduciary principle that information concerning the identity of security holdings and financial circumstances of clients is confidential; and • The principle that independence in the investment decision-making process is 	

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**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:	SEC File Number:	Date:
Biltmore Capital Advisors, LLC	801- 68057	04/15/2008

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Biltmore Capital Advisors, LLC		IRS Empl. Ident.No.: 20-8856617
Item of Form (identify)	Answer	
Item 9 continued	paramount. Biltmore will provide a copy of the code to any client or prospective client upon request.	
Item 10	<p style="text-align: center;"><u>CONDITIONS FOR MANAGING ACCOUNTS</u></p> <p>Biltmore has a minimum account value of \$500,000 for advisory services. However, this requirement may be waived at the sole discretion of Biltmore under certain circumstances such as the existence of related accounts or an anticipated change in circumstances.</p>	
Item 12	<p style="text-align: center;"><u>INVESTMENT OR BROKERAGE DISCRETION</u></p> <p>Clients may grant Biltmore the authority to determine the type and amount of securities to be bought and sold. However, Biltmore does not have the ability to withdraw funds from client's account (other than to cause the debit of advisory fees) or to choose the broker-dealer to be used. Discretion includes the authority to effect the transaction of securities such as mutual funds, equities, and ETFs without prior consent of or notice to the client. Discretion does not include purchases on margin, options or futures.</p> <p>Typically in Third Party Advisory Services, the third party investment manager exercises discretion in the management of client accounts. All securities transactions will be decided upon and executed by that manager. Biltmore and its IARs do not manage, or obtain discretionary authority over the assets in accounts participating in these programs. However, clients may grant IARs the discretionary authority to hire and fire such third party managers.</p> <p>Usually, Portfolio Management Services and Third Party Advisory Services utilize the services of a particular broker/dealer. Thus, by assisting the client in selecting such a program, IARs may also be deemed to be assisting the client in selecting a broker/dealer. In certain programs, the client is asked to select a particular broker/dealer to execute trades for the client's account and/or to act as custodian for the account. In those programs, IARs will assist the client in making such selection. Because Biltmore's and/or the IAR's compensation in connection with a program may vary depending on the broker/dealer or custodian selected, Biltmore and/or the IAR may have a conflict of interest in assisting the client in such selection.</p> <p>Biltmore may recommend that clients establish brokerage accounts with Schwab or FSC/Peshing to maintain custody of clients' assets and to effect trades for their accounts. Biltmore is independently owned and operated and not affiliated with FSC or Schwab. FSC and Schwab provide Biltmore with access to institutional trading and custody services. FSC's and Schwab's services include brokerage, custody, research and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. For Biltmore's client accounts maintained in their custody, FSC and Schwab do not charge separately for custody, but may be compensated by account holders through other transaction-related fees for securities trades executed through the broker-dealers or that settle into their accounts.</p> <p>FSC and Schwab also make available to Biltmore other products and services that benefit Biltmore but may not benefit client accounts. Some of these other products and services assist Biltmore in managing and administering client accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements); facilitate trade execution (and allocation of aggregated trade</p>	

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**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:

Biltmore Capital Advisors, LLC

SEC File Number:

801- 68057

Date:

04/15/2008

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:

Biltmore Capital Advisors, LLC

IRS Empl. Ident.No.:

20-8856617

Item of Form
(identify)

Answer

Item 12 continued

orders for multiple client accounts); provide research, pricing information and other market data; facilitate payment of Biltmore's fees from its clients' accounts; and assist with back-office functions, record keeping and client reporting. Many of these services may be used to service all or a substantial number of Biltmore's accounts, including accounts not maintained at through FSC or at Schwab. FSC and Schwab also make available to Biltmore other services intended to help Biltmore manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing. In addition, FSC and Schwab may make available, arrange and/or pay for these types of services rendered to Biltmore by independent third parties. FSC and Schwab may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Biltmore.

While as a fiduciary, Biltmore endeavors to act in its clients' best interests, Biltmore's recommendation that clients maintain their assets in accounts through FSC or Schwab may be based in part on the benefit to Biltmore of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by these broker-dealers. Biltmore does not warrant or represent that commissions for transactions implemented through FSC or Schwab are lower than commission available if clients use another brokerage firm. Biltmore believes, however, that the overall level of services and support provided to clients by Biltmore outweighs the potentially lower transactions cost available under other brokerage arrangements.

Factors considered in selecting Schwab or FSC include the existing broker-dealer relationships with Biltmore, financial strength, reputation, reporting, execution pricing and research. The broker-dealers charge commission rates which may be generally considered discounted from customary retail commission rates. However, the commissions and/or transaction fees charged by the broker-dealers may be higher or lower than those charged by other broker-dealer/custodians. Further, the fees charged by any designated broker-dealer/custodian, are exclusive of, and in addition to, Biltmore's investment management fees. In addition, clients also incur charges imposed at the mutual fund level (e.g. management fees, early redemption fees, and other fund expenses).

Biltmore does not aggregate brokerage orders for clients. Biltmore manages each portfolio on an individual basis using strategies specific to the individual client. Biltmore believes that this individual attention to client portfolios offsets the benefits from saving on execution costs that might be lost through not aggregating orders.

ADDITIONAL COMPENSATION

Item 13

Biltmore may recommend Schwab or FSC/Pershing for the execution and settlement of client transactions and custody of their assets. Biltmore receives products and services from these broker-dealers, including software to enable direct electronic downloading of client account information, electronic trading, and access to investment research and information provided by broker-dealers. Clients do not pay higher commissions as a result of these products and services furnished by broker-dealers to Biltmore. Biltmore earns no commissions from transactions in the Schwab accounts. Transaction charges or other charges for services to clients by broker-dealers may be more or less than other broker-dealers not recommended by Biltmore charge for comparable services. Clients are not

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Item of Form (identify)	Answer	
Item 13 continued	<p>required to use a specific broker-dealer to retain the services of Biltmore.</p> <p>Biltmore's primary business is as an Investment Adviser. Biltmore representatives spend the majority of their time in this capacity. Officers and associated persons of Biltmore are also registered representatives of FSC and licensed insurance agents. In this capacity, they may facilitate the purchase and/or sale of insurance products, mutual funds, securities, options, and other investment products for their clients, who may or may not have an advisory fee agreement with Biltmore. Biltmore representatives may receive compensation for these non-advisory services that they may provide. Such compensation would be in addition to the advisory and other fees that Biltmore may receive. Biltmore representatives may also receive marketing fees for mortgages. These types of activities could represent a conflict of interest to clients.</p> <p>Mutual funds purchased or sold in broker-dealer accounts may generate transaction fees that would not exist if the purchase or sale were made directly through the mutual fund company. Mutual funds held in broker-dealer accounts also charge management fees. These Mutual fund management fees may be more or less than the mutual fund management fees charged if the client held the mutual fund directly with the mutual fund company. These management fees are in addition to the management fee charged by Biltmore.</p> <p>As described in Item 1D above, Biltmore is a party to written agreements with certain Third Party Advisory Services under which its IARs provide personal advisory services to their clients. Such personal advisory services include: qualifying their clients for a particular Third Party Advisory Service as well as determining client's goals and objectives (determining risk tolerance and investment styles). Biltmore and its IARs receive compensation pursuant to these agreements for introducing clients to the Third Party Advisory Service and for providing the aforementioned personal advisory services. This compensation is typically equal to a percentage of the investment advisory fee charged by the Third Party Advisory Service. Because such compensation may differ depending on the individual agreement with each Third Party Advisory Service, the IARs may have an incentive to recommend a particular Third Party Advisory Service over other Third Party Advisory Services with which Biltmore has less favorable compensation arrangements or alternative advisory programs. Any such arrangements will comply with applicable laws that govern the nature of the service, fees to be paid, disclosures to clients and any necessary client consents.</p> <p>Moreover, certain third party investment advisers, vendors and/or broker-dealers may provide IARs or their clients with the opportunity to attend training or education conferences or dinners or provide Biltmore with the funds to host such conferences dinners. This may include the payment or reimbursement of travel, meals and/or lodging expenses for attendees. Payment and/or reimbursement of expenses is not contingent upon sales targets or contests, but rather total assets managed through their programs. Biltmore or IARs may have an incentive to recommend third party investment advisers who provide such arrangements over those that do not.</p> <p>On occasion, FSC provides funding in the form of loans as incentive to Independent Registered Representatives to establish broker-dealer relationships with FSC. Such loans are to assist in the transition and expansion of their practice. All or a portion of the loans require cash repayments of principal and interest if specific production levels are not achieved over a specified time frame. Any year in which the practice achieves its production levels initiates pro rata loan forgiveness by FSC. This, in turn, represents taxable income to the practice. Certain Biltmore IARs may be recipients of such loans.</p>	

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Item 13 continued	<p>12b-1 PAYMENTS</p> <p>In addition, IARs, as registered representatives of FSC, may receive compensation (such as 12b-1 fees) from the sale of mutual fund products to clients of Biltmore. This compensation is consideration for various services that Biltmore provides such as presenting information to Biltmore clients regarding the funds and recommending shares of the funds for investment. Payment of these fees is included in the expense ratios of the mutual funds. IARs may have a greater incentive to recommend certain funds or fund families with 12b-1 fees or funds with higher 12b-1 fees over other funds or fund families with no or lower 12b-1 fees.</p>	

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Biltmore Capital Advisors LLC

Privacy Statement

In establishing an advisory account with Biltmore Capital Advisors LLC ("Biltmore"), it is necessary that you provide Biltmore with certain personal financial information necessary to manage your account in a manner consistent with your investment objectives and personal financial goals.

Types of Nonpublic Personal Information We Collect

Biltmore collects nonpublic personal information about you that is provided by you or obtained by Biltmore with your authorization. Biltmore may collect nonpublic personal information about you from the following sources:

- Information Biltmore receives from you on applications or other forms, and
- Information about your securities transactions with Biltmore or other advisers and broker/dealers which may be providing financial services to you.

Parties to Whom We Disclose Information

It is the policy of Biltmore that we do not disclose any nonpublic personal information about our clients or former clients to unaffiliated third parties, except as permitted by law. When necessary to provide all of the services you request for your account, Biltmore may provide nonpublic personal information about you to certain third parties, such as clearing firms that serve or may serve as the custodian of your account, or that may effect securities transactions on your behalf, or insurance companies. Such disclosure is only made to fulfill our duties to you in fully servicing your account. Under no circumstances do we sell your name or other information to anyone.

Protecting the Confidentiality and Security of Clients' Information

Biltmore retains records relating to professional services that we provide so that we are better able to assist you with your needs. Biltmore restricts access to your personal and account information to those employees who need to know that information to provide products or services to you. Biltmore maintains physical, electronic, and procedural safeguards to guard your nonpublic personal information. If you decide to close your account(s) with Biltmore or become an inactive customer, Biltmore will adhere to the privacy policies and practices as described in this notice.

If you should have any questions regarding our Privacy Policy please call our Chief Compliance Officer at 1.866.980.3336.