THE BIONDO GROUP

June 29, 2009

CFA Institute
Centre for Financial Market Integrity
Re: Global Investment Performance Standards
PO Box 3668
Charlottesville, VA 22903

To the GIPS Executive Committee:

Response to the Proposed Changes of the Global Investment Performance Standards

The following is our response to several items proposed in the 2010 version of the Global Investment Performance Standards:

<u>Section 0.A.7</u>

We agree with the requirement that the status of verification should be stated on the disclosure, though we believe 24 months is too long a time period for a firm to be classified as having a current verification. Given that the recommendation is to have a third party verification completed quarterly, 24 months allows too much time to pass for a status of "currently verified" to be reliable. In our opinion, 12 months would be more realistic. For firms who are outside this 12 month period, the statement does include the dates of verification so potential clients can see that the firm has completed the process.

<u>Section 3.A.1</u>

We agree with requiring the inclusion of non-fee paying discretionary portfolios in the composites. In our opinion, whether or not they pay fees does not affect the performance of the strategy. We recommend there be a disclosure stating the percentage of the composite that is made up of non-fee paying discretionary accounts. Further guidance statements regarding the effect on the calculation of Net Returns may be needed.

BIONDO INVESTMENT ADVISORS, LLC
A Registered Investment Advisor and an affiliate of The Biondo Group, LLC.

BIONDO ASSET MANAGEMENT, LLC
Member FINRA, SIPC and an affiliate of The Biondo Group, LLC

The Biondo Group, LLC • 540 Routes 6 & 209 • PO Box 909 • Milford, Pennsylvania 18337
Tel. (570) 296-5525 • Toll Free (877) BIONDOS (246-6367) • Fax (570) 296-5527
Website: www.thebiondogroup.com

Section 4.A – Disclosures

4.A.3 – The disclosures should state the minimum asset level for the composite but the firm should be allowed to remove the change of such minimum after a period of 5 years.

We agree with the other additions to the disclosures proposed: the presence of short positions in the composite, the enhanced composite description and the inclusion of the 3 year annualized standard deviation.

Section 5.A.8

We agree with the requirement to include a percentage of the composite assets that are composed of proprietary assets. This is pertinent information that should be considered when a prospective client is evaluating a composite.

Section 8.A.6

Firms should be allowed to present "sponsor-specific composite" information but only as a supplement to the complete composite presentation. We agree that this type of presentation should only be made to the sponsor in question and that it clearly states the sponsor's name and that it is in addition to the "style-specific composite".

We appreciate the opportunity to submit our opinions on the proposed changes to the Global Investment Performance Standards.

Sincerely,

Felix

Felix Rivera
Chief Operating Officer
Biondo Investment Advisors, LLC