

SECURITIES AND EXCHANGE COMMISSION

FORM 497

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FILER

BILTMORE FUNDS

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Mailing Address	Business Address
<i>FEDERATED INVESTORS TOWER PITTSBURGH PA 15222-3779</i>	<i>FEDERATED INVESTORS TWR PITTSBURGH PA 15222 4122881900</i>

BILTMORE BALANCED FUND
(A Portfolio of The Biltmore Funds)
Supplement to Prospectus dated January 31, 1995

A. Please delete the final sentence of the section "Purchases at Net Asset Value" on page 14 of the Prospectus, and replace it with the following:

"Trustees, officers, directors and employees of the Distributor and its affiliates, and any bank or investment dealer who has a sales agreement with the Distributor relating to the Fund, may also purchase shares at their net asset value. Finally, effective July 31, 1995, purchases made by participants in 401(k) Defined Contribution Plans (each a "Delaware/Wachovia 401(k) Plan" or "Plan") which have in excess of an aggregate investment of \$1 million in certain Delaware Group Funds ("Eligible Delaware Funds") and certain portfolios of the Trust, including the Fund ("Eligible Biltmore Funds" together, the "Eligible Funds") by offering investment options that include the Eligible Funds will be made at net asset value, without the imposition of the sales charge otherwise provided in the table above. "Eligible Biltmore Funds" refers to the Fund, the Biltmore Emerging Markets Fund, the Biltmore Equity Fund, the Biltmore Fixed Income Fund, the Biltmore Special Values Fund, and the Investment Shares class of the Biltmore Money Market Fund (the "Money Fund")."

B. Please insert the following section after "Concurrent Purchases" and before "Systematic Investment Program" on page 15 of the Prospectus:

"Plan Right of Accumulation. Effective July 31, 1995, purchases of the Fund by a Delaware/Wachovia 401(k) Plan will be aggregated with the current value of all shares of the Eligible Funds already held by, and being concurrently purchased by, the Plan in order to compute reduced sales charges as shown in the table in this prospectus under the section entitled "What Shares Cost." However, participants in a Delaware/Wachovia 401(k) Plan or any other employee benefit plan may not combine their holdings in, or purchases through, the Plan with Fund purchases made outside the Plan for the purpose of obtaining reduced sales charges."

C. Please insert the following paragraph as the sixth paragraph in the section "Exchange Privilege" on page 16 of the Prospectus:

"In addition to the exchange privilege described above, effective July 31, 1995, participants in a Delaware/Wachovia 401(k) Plan are, with respect to the Plan, permitted to: (1) exchange all or part of their Class A shares of other Eligible Delaware Funds, as well as Eligible Biltmore Funds, at net asset value; and (2) exchange all or part of their Eligible Biltmore Fund shares into Class A shares of the Eligible Delaware Funds, at net asset value, without payment of a front-end sales charge. However, a participant in any Plan that has an aggregate investment of \$1 million or less in the Eligible Funds who exchanges into an Eligible Fund from the Money Fund must pay the applicable front-end sales charge at the time of the exchange (unless the Money Fund shares were acquired in an exchange from an Eligible Fund subject to a front-end sales charge or by reinvestment of dividends)."

July 31, 1995

FEDERATED SECURITIES CORP.

Distributor
A subsidiary of Federated Investors
Federated Investors Tower
Pittsburgh, PA 15222-3779
Cusip 090297821
G00807-06 (7/95)

BILTMORE EQUITY FUND
(A Portfolio of The Biltmore Funds)

A. Please delete the final sentence of the section "Purchases at Net Asset Value" beginning on page 10 of the Prospectus, and replace it with the following:

"Trustees, officers, directors and employees of the Distributor and its affiliates, and any bank or investment dealer who has a sales agreement with the Distributor relating to the Fund, may also purchase shares at their net asset value. Finally, effective July 31, 1995, purchases made by participants in 401(k) Defined Contribution Plans (each a "Delaware/Wachovia 401(k) Plan" or "Plan") which have in excess of an aggregate investment of \$1 million in certain Delaware Group Funds ("Eligible Delaware Funds") and certain portfolios of the Trust, including the Fund ("Eligible Biltmore Funds" together, the "Eligible Funds") by offering investment options that include the Eligible Funds will be made at net asset value, without the imposition of the sales charge otherwise provided in the table above. "Eligible Biltmore Funds" refers to the Fund, the Biltmore Balanced Fund, the Biltmore Emerging Markets Fund, the Biltmore Fixed Income Fund, the Biltmore Special Values Fund, and the Investment Shares class of the Biltmore Money Market Fund (the "Money Fund")."

B. Please insert the following section after "Concurrent Purchases" and before "Systematic Investment Program" on page 12 of the Prospectus:

"Plan Right of Accumulation. Effective July 31, 1995, purchases of the Fund by a Delaware/Wachovia 401(k) Plan will be aggregated with the current value of all shares of the Eligible Funds already held by, and being concurrently purchased by, the Plan in order to compute reduced sales charges as shown in the table in this prospectus under the section entitled "What Shares Cost." However, participants in a Delaware/Wachovia 401(k) Plan or any other employee benefit plan may not combine their holdings in, or purchases through, the Plan with Fund purchases made outside the Plan for the purpose of obtaining reduced sales charges."

C. Please insert the following paragraph as the sixth paragraph in the section "Exchange Privilege" on page 13 of the Prospectus:

"In addition to the exchange privilege described above, effective July 31, 1995, participants in a Delaware/Wachovia 401(k) Plan are, with respect to the Plan, permitted to: (1) exchange all or part of their Class A shares of other Eligible Delaware Funds, as well as Eligible Biltmore Funds, at net asset value; and (2) exchange all or part of their Eligible Biltmore Fund shares into Class A shares of the Eligible Delaware Funds, at net asset value, without payment of a front-end sales charge. However, a participant in any Plan that has an aggregate investment of \$1 million or less in the Eligible Funds who exchanges into an Eligible Fund from the Money Fund must pay the applicable front-end sales charge at the time of the exchange (unless the Money Fund shares were acquired in an exchange from an Eligible Fund subject to a front-end sales charge or by reinvestment of dividends)."

July 31, 1995

FEDERATED SECURITIES CORP.

Distributor
A subsidiary of Federated Investors
Federated Investors Tower
Pittsburgh, PA 15222-3779
Cusip 090297839
G00807-07 (7/95)

BILTMORE FIXED INCOME FUND
(A Portfolio of The Biltmore Funds)
Supplement to Prospectus dated January 31, 1995

A. Please delete the final sentence of the section "Purchases at Net Asset

Value" on page 13 of the Prospectus, and replace it with the following:

"Trustees, officers, directors and employees of the Distributor and its affiliates , and any bank or investment dealer who has a sales agreement with the Distributor relating to the Fund, may also purchase shares at their net asset value. Finally, effective July 31, 1995, purchases made by participants in 401(k) Defined Contribution Plans (each a "Delaware/Wachovia 401(k) Plan" or "Plan") which have in excess of an aggregate investment of \$1 million in certain Delaware Group Funds ("Eligible Delaware Funds") and certain portfolios of the Trust, including the Fund ("Eligible Biltmore Funds" together, the "Eligible Funds") by offering investment options that include the Eligible Funds will be made at net asset value, without the imposition of the sales charge otherwise provided in the table above. "Eligible Biltmore Funds" refers to the Fund, the Biltmore Balanced Fund, the Biltmore Emerging Markets Fund, the Biltmore Equity Fund, the Biltmore Special Values Fund, and the Investment Shares class of the Biltmore Money Market Fund (the "Money Fund")."

B. Please insert the following section after "Concurrent Purchases" and before "Systematic Investment Program" on page 14 of the Prospectus:

"Plan Right of Accumulation. Effective July 31, 1995, purchases of the Fund by a Delaware/Wachovia 401(k) Plan will be aggregated with the current value of all shares of the Eligible Funds already held by, and being concurrently purchased by, the Plan in order to compute reduced sales charges as shown in the table in this prospectus under the section entitled "What Shares Cost." However, participants in a Delaware/Wachovia 401(k) Plan or any other employee benefit plan may not combine their holdings in, or purchases through, the Plan with Fund purchases made outside the Plan for the purpose of obtaining reduced sales charges."

C. Please insert the following paragraph as the sixth paragraph in the section "Exchange Privilege" on page 15 of the Prospectus:

"In addition to the exchange privilege described above, effective July 31, 1995, participants in a Delaware/Wachovia 401(k) Plan are, with respect to the Plan, permitted to: (1) exchange all or part of their Class A shares of other Eligible Delaware Funds, as well as Eligible Biltmore Funds, at net asset value; and (2) exchange all or part of their Eligible Biltmore Fund shares into Class A shares of the Eligible Delaware Funds, at net asset value, without payment of a front-end sales charge. However, a participant in any Plan that has an aggregate investment of \$1 million or less in the Eligible Funds who exchanges into an Eligible Fund from the Money Fund must pay the applicable front-end sales charge at the time of the exchange (unless the Money Fund shares were acquired in an exchange from an Eligible Fund subject to a front-end sales charge or by reinvestment of dividends)."

July 31, 1995

FEDERATED SECURITIES CORP.

Distributor

A subsidiary of Federated Investors

Federated Investors Tower

Pittsburgh, PA 15222-3779

Cusip 090297854

G00807-08 (7/95)

BILTMORE SPECIAL VALUES FUND

(A Portfolio of The Biltmore Funds)

Supplement to Prospectus dated January 31, 1995

A. Please delete the final sentence of the section "Purchases at Net Asset Value" on page 11 of the Prospectus, and replace it with the following:

"Trustees, officers, directors and employees of the Distributor and its affiliates , and any bank or investment dealer who has a sales agreement with the Distributor relating to the Fund, may

also purchase shares at their net asset value. Finally, effective July 31, 1995, purchases made by participants in 401(k) Defined Contribution Plans (each a "Delaware/Wachovia 401(k) Plan" or "Plan") which have in excess of an aggregate investment of \$1 million in certain Delaware Group Funds ("Eligible Delaware Funds") and certain portfolios of the Trust, including the Fund ("Eligible Biltmore Funds" together, the "Eligible Funds") by offering investment options that include the Eligible Funds will be made at net asset value, without the imposition of the sales charge otherwise provided in the table above. "Eligible Biltmore Funds" refers to the Fund, the Biltmore Balanced Fund, the Biltmore Emerging Markets Fund, the Biltmore Equity Fund, the Biltmore Fixed Income Fund, and the Investment Shares class of the Biltmore Money Market Fund (the "Money Fund")."

B. Please insert the following section after "Concurrent Purchases" and before "Systematic Investment Program" on page 12 of the Prospectus:

"Plan Right of Accumulation. Effective July 31, 1995, purchases of the Fund by a Delaware/Wachovia 401(k) Plan will be aggregated with the current value of all shares of the Eligible Funds already held by, and being concurrently purchased by, the Plan in order to compute reduced sales charges as shown in the table in this prospectus under the section entitled "What Shares Cost." However, participants in a Delaware/Wachovia 401(k) Plan or any other employee benefit plan may not combine their holdings in, or purchases through, the Plan with Fund purchases made outside the Plan for the purpose of obtaining reduced sales charges."

C. Please insert the following paragraph as the sixth paragraph in the section "Exchange Privilege" on page 13 of the Prospectus:

"In addition to the exchange privilege described above, effective July 31, 1995, participants in a Delaware/Wachovia 401(k) Plan are, with respect to the Plan, permitted to: (1) exchange all or part of their Class A shares of other Eligible Delaware Funds, as well as Eligible Biltmore Funds, at net asset value; and (2) exchange all or part of their Eligible Biltmore Fund shares into Class A shares of the Eligible Delaware Funds, at net asset value, without payment of a front-end sales charge. However, a participant in any Plan that has an aggregate investment of \$1 million or less in the Eligible Funds who exchanges into an Eligible Fund from the Money Fund must pay the applicable front-end sales charge at the time of the exchange (unless the Money Fund shares were acquired in an exchange from an Eligible Fund subject to a front-end sales charge or by reinvestment of dividends)."

July 31, 1995

FEDERATED SECURITIES CORP.

Distributor
A subsidiary of Federated Investors
Federated Investors Tower
Pittsburgh, PA 15222-3779
Cusip 090297870
G00807-09 (7/95)

BILTMORE MONEY MARKET FUND
BILTMORE TAX-FREE MONEY MARKET FUND
BILTMORE U.S. TREASURY MONEY MARKET FUND

(PORTFOLIOS OF THE BILTMORE FUNDS)

SUPPLEMENT TO COMBINED INVESTMENT SHARES PROSPECTUS DATED JANUARY 31, 1995

A. Please replace the Summary of Fund Expenses tables on pages 1 through 3 and replace with the following Summary of Fund Expenses tables:

BILTMORE MONEY MARKET FUND
SUMMARY OF FUND EXPENSES

<p><TABLE></p>		<p><C></p>
<p><S></p>	<p>INVESTMENT SHARES SHAREHOLDER TRANSACTION EXPENSES</p>	
	Maximum Sales Load Imposed on Purchases (as a percentage of offering price).....	None
	Maximum Sales Load Imposed on Reinvested Dividends (as a percentage of offering price).....	None
	Contingent Deferred Sales Charge (as a percentage of original purchase price or redemption proceeds, as applicable).....	None
	Redemption Fees (as a percentage of amount redeemed, if applicable).....	None
	Exchange Fee.....	None
	<p>ANNUAL INVESTMENT SHARES OPERATING EXPENSES (As a percentage of average net assets)</p>	
	Management Fee (after waiver) (1).....	0.15%
	12b-1 Fees (after waiver) (2).....	0.33%
	Other Expenses.....	0.23%
	<p>Total Investment Shares Operating Expenses (after waivers) (3).....</p>	0.71%
<p></TABLE></p>		

- (1) The management fee has been reduced to reflect the voluntary waiver by the investment adviser. The adviser can terminate this voluntary waiver at any time at its sole discretion. The maximum management fee is 0.50%.
- (2) The Fund can pay up to 0.40% of average daily net assets of Investment Shares as a 12b-1 fee.
- (3) The Annual Investment Shares Operating Expenses were 0.68% for the fiscal year ended November 30, 1994. The Annual Investment Shares Operating Expenses in the table above reflect the cessation of the voluntary waiver of the administrative fee for the fiscal year ending November 30, 1995. The Annual Investment Shares Operating Expenses are expected to be 1.13%, absent, the voluntary waivers described above in notes 1 and 2.

For more complete descriptions of the various costs and expenses, see "The Biltmore Funds Information" and "Investing in Investment Shares."

Long-term shareholders may pay more than the economic equivalent of the maximum front-end sales charge permitted under the rules of the National Association of Securities Dealers, Inc. However, in order for a Fund investor to exceed the NASD's maximum front-end sales charge of 6.25%, a continuous investment in the Fund for 125 years would be required.

<p><TABLE></p>					
<p><CAPTION></p>					
<p><S></p>	<p>Example</p>	<p>1 Year <C></p>	<p>3 Years <C></p>	<p>5 Years <C></p>	<p>10 Years <C></p>
	You would pay the following expenses on a \$1,000 investment, assuming (1) 5% annual return and (2) redemption at the end of each time period. The Fund charges no redemption fees for Investment Shares.	\$7	\$23	\$40	\$88
<p></TABLE></p>					

THE ABOVE EXAMPLE SHOULD NOT BE CONSIDERED A REPRESENTATION OF PAST OR FUTURE EXPENSES. ACTUAL EXPENSES MAY BE GREATER OR LESS THAN THOSE SHOWN.

The information set forth in the foregoing table and example relates only to Investment Shares of the Money Market Fund. The Fund also offers another class of shares called Institutional Shares. Investment Shares and Institutional Shares are subject to certain of the same expenses, however, Institutional Shares are not subject to a 12b-1 fee. See "Other Classes of Shares."

BILTMORE TAX-FREE MONEY MARKET FUND
SUMMARY OF FUND EXPENSES

<p><TABLE></p>		<p><C></p>
<p><S></p>	<p>INVESTMENT SHARES SHAREHOLDER TRANSACTION EXPENSES</p>	
	Maximum Sales Load Imposed on Purchases (as a percentage of offering price).....	None
	Maximum Sales Load Imposed on Reinvested Dividends (as a percentage of offering price).....	None
	Contingent Deferred Sales Charge (as a percentage of original purchase price or redemption proceeds, as applicable).....	None
	Redemption Fees (as a percentage of amount redeemed, if applicable).....	None
	Exchange Fee.....	None
	<p>ANNUAL INVESTMENT SHARES OPERATING EXPENSES (As a percentage of average net assets)</p>	
	Management Fee (after waiver) (1).....	0.05%
	12b-1 Fees (after waiver) (2).....	0.33%
	Other Expenses.....	0.27%
	<p>Total Investment Shares Operating Expenses (after waivers) (3).....</p>	0.65%
<p></TABLE></p>		

- (1) The management fee has been reduced to reflect the voluntary waiver by the investment adviser. The adviser can terminate this voluntary waiver at any time at its sole discretion. The maximum management fee is 0.50%.
- (2) The Fund can pay up to 0.40% of average daily net assets of Investment Shares as a 12b-1 fee.
- (3) The Annual Investment Shares Operating Expenses were 0.68% for the fiscal year ended November 30, 1994. The Annual Investment Shares Operating Expenses in the table above reflect the cessation of the voluntary waiver of the administrative fee for the fiscal year ending November 30, 1995. The Annual Investment Shares Operating Expenses are expected to be 1.17% absent the voluntary waivers described above in notes 1 and 2.

The purpose of this table is to assist an investor in understanding the various costs and expenses that a shareholder of Investment Shares of the Tax-Free Fund will bear, either directly or indirectly. For more complete descriptions of the various costs and expenses, see "The Biltmore Funds Information" and "Investing in Investment Shares."

Long-term shareholders may pay more than the economic equivalent of the maximum front-end sales charge permitted under the rules of the National Association of Securities Dealers, Inc. However, in order for a Fund investor to exceed the NASD's maximum front-end sales charge of 6.25%, a continuous investment in the Fund for 125 years would be required.

<p><TABLE></p>					
<p><CAPTION></p>	<p>Example</p>	<p>1 Year</p>	<p>3 Years</p>	<p>5 Years</p>	<p>10 Years</p>
<p><S></p>	<p>You would pay the following expenses on a \$1,000 investment, assuming (1) 5% annual return and (2) redemption at the end of each time period. As shown in the table above, the Fund charges no redemption fees for Investment Shares.</p>	<p><C></p>	<p><C></p>	<p><C></p>	<p><C></p>
		\$7	\$21	\$36	\$81
<p></TABLE></p>					

THE ABOVE EXAMPLE SHOULD NOT BE CONSIDERED A REPRESENTATION OF PAST OR FUTURE EXPENSES. ACTUAL EXPENSES MAY BE GREATER OR LESS THAN THOSE SHOWN.

The information set forth in the foregoing table and example relates only to Investment Shares of the Tax-Free Fund. The Fund also offers another class of shares called Institutional Shares. Investment

Shares and Institutional Shares are subject to certain of the same expenses, however, Institutional Shares are not subject to a 12b-1 fee. See "Other Classes of Shares."

 BILTMORE U.S. TREASURY MONEY MARKET FUND
 SUMMARY OF FUND EXPENSES

<TABLE> <S>	INVESTMENT SHARES SHAREHOLDER TRANSACTION EXPENSES	<C>
	Maximum Sales Load Imposed on Purchases (as a percentage of offering price).....	None
	Maximum Sales Load Imposed on Reinvested Dividends (as a percentage of offering price).....	None
	Contingent Deferred Sales Charge (as a percentage of original purchase price or redemption proceeds, as applicable).....	None
	Redemption Fees (as a percentage of amount redeemed, if applicable).....	None
	Exchange Fee.....	None
	ANNUAL INVESTMENT SHARES OPERATING EXPENSES (As a percentage of average net assets)	
	Management Fee (after waiver) (1).....	0.05%
	12b-1 Fees (after waiver) (2).....	0.33%
	Other Expenses.....	0.27%
	Total Investment Shares Operating Expenses (after waivers) (3).....	0.65%

</TABLE>

- (1) The management fee has been reduced to reflect the voluntary waiver by the investment adviser. The adviser can terminate this voluntary waiver at any time at its sole discretion. The maximum management fee is 0.50%.
- (2) The Fund can pay up to 0.40% of average daily net assets of Investment Shares as a 12b-1 fee.
- (3) The Annual Investment Shares Operating Expenses were 0.66% for the fiscal year ended November 30, 1994. The Annual Investment Shares Operating Expenses in the table above reflect the cessation of the voluntary waiver of the administrative fee for the fiscal year ending November 30, 1995. The Annual Investment Shares Operating Expenses are expected to be 1.17%, absent the voluntary waiver described above in notes 1 and 2.

The purpose of this table is to assist an investor in understanding the various costs and expenses that a shareholder of Investment Shares of the U.S. Treasury Fund will bear, either directly or indirectly. For more complete descriptions of the various costs and expenses, see "The Biltmore Funds Information" and "Investing in Investment Shares."

Long-term shareholders may pay more than the economic equivalent of the maximum front-end sales charge permitted under the rules of the National Association of Securities Dealers, Inc. However, in order for a Fund investor to exceed the NASD's maximum front-end sales charge of 6.25%, a continuous investment in the Fund for 125 years would be required.

<TABLE> <CAPTION> <S>	Example You would pay the following expenses on a \$1,000 investment, assuming (1) 5% annual return and (2) redemption at the end of each time period. The Fund charges no redemption fees for Investment Shares.	1 Year <C>	3 Years <C>	5 Years <C>	10 Years <C>
		\$7	\$21	\$36	\$81

</TABLE>

THE ABOVE EXAMPLE SHOULD NOT BE CONSIDERED A REPRESENTATION OF PAST OR FUTURE EXPENSES. ACTUAL EXPENSES MAY BE GREATER OR LESS THAN THOSE SHOWN.

The information set forth in the foregoing table and example relates only to Investment Shares of the U.S. Treasury Fund. The Fund also offers another class of shares called Institutional Shares. Investment Shares and Institutional Shares are subject to certain of the same expenses, however, Institutional Shares are not subject to a 12b-1 fee. See "Other Classes of Shares."

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- B. Please insert the following as the third paragraph in the section "Exchanges" on page 19 of the Prospectus:

"In addition to the exchange privilege described above, effective July 31, 1995, participants in 401(k) Defined Contribution Plans (each a "Delaware/Wachovia 401(k) Plan" or "Plan") are, with respect to the Plan, permitted to: (1) exchange all or part of their Class A shares of certain other Delaware Group Funds ("Eligible Delaware Funds"), as well as Eligible Biltmore Funds, at net asset value; and (2) exchange all or part of their Eligible Biltmore Fund shares into Class A shares of the Eligible Delaware Funds, at net asset value, without payment of a front-end sales charge. However, a participant in a Plan that has an aggregate investment of \$1 million or less in Eligible Delaware Funds and/or Eligible Biltmore Funds who exchanges into the Eligible Delaware Funds or Eligible Biltmore Funds from the Money Market Fund must pay the applicable front-end sales charge at the time of the exchange (unless the Money Market Fund shares were acquired in an exchange from an Eligible Delaware Fund or Eligible Biltmore Fund subject to a front-end sales charge or by reinvestment of dividends). Eligible Biltmore Funds refer to the Investment Shares class of the Money Market Fund, the Biltmore Balanced Fund, the Biltmore Emerging Markets Fund, the Biltmore Equity Fund, the Biltmore Fixed Income Fund, and the Biltmore Special Values Fund."

July 31, 1995

FEDERATED SECURITIES CORP.

Distributor

A subsidiary of FEDERATED INVESTORS

FEDERATED INVESTORS TOWER

PITTSBURGH, PA 15222-3779

090297201

090297409

090297888

G00807-10 (7/95)