



AUGUSTINE

A S S E T M A N A G E M E N T



Form ADV Part II
Brochure Cover Page

Augustine Asset Management, Inc.
SEC File No. 801--23187

1551 Atlantic Blvd., Suite 103
Jacksonville, FL 32207

Phone: 904-396-6944
Email: jbernardo@augustineasset.com
Website:

03/07/2012

This brochure provides information about the qualifications and business practices of Augustine Asset Management, Inc. If you have any questions about the contents of this brochure, please contact us

jbernardo@augustineasset.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Augustine Asset Management, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov.

TABLE OF CONTENTS

Material Changes.....	Page 4
Firm Profile.....	Page 4
Mission Statement.....	Page 5
Asset Management Process.....	Page 6
Code of Ethics.....	Page 7
Fees and Compensation.....	Page 8
Brokerage Practices.....	Page 9
Investment Management Team.....	Page 11
Disclosures and Disclaimers.....	Page 13

MATERIAL CHANGES

Mr. Henry Thorpe joined the firm in February 2011 as an Analyst responsible for portfolio analytics and quantitative research in equity and fixed income markets. A Jacksonville native he joins the firm from Deutsche Bank.

FIRM PROFILE

Augustine Asset Management, Inc. was founded in 1985 and serves as investment advisor to charitable foundations, pension and profit sharing plans, individuals, and families across the United States. Augustine is a privately owned investment management firm registered with the Securities and Exchange Commission (SEC) under the Investment Advisors Act of 1940.

Augustine oversees \$250 million in assets under management for approximately 90 separate clients. The firm engages exclusively in fee-based investment management services and does not engage in brokerage, custody, underwriting, deposit taking, venture capital, private equity, or real estate.

Augustine Asset Management, Inc. serves primarily high net worth individuals having total liquid net investable assets greater than \$1 million. This includes regular accounts, retirement accounts and trusts. The firm also serves the investment needs of local nonprofit corporations, pension and profit sharing plans, and charitable endowments.

The Augustine Asset Management investment team has more than 120 years of combined experience spanning the last 50 years which enables it to provide clients with a historical perspective like few other firms. Additionally, the firm has direct experience with foreign equity investing in developed and developing economies worldwide.

MISSION STATEMENT

Augustine Asset Management exists to assist our clients in achieving their financial objectives. Understanding client goals and risk tolerance, managing portfolio assets in a prudent manner, and providing a high level of service and support are our fiduciary responsibilities and the focus of our experienced team of investment and client service professionals.

REPORTING AND CLIENT SERVICE

We believe consistent provision of information and recurring dialogue are key elements to successfully serving clients. Clients receive:

- A portfolio appraisal from Augustine that shows a complete listing of holdings by individual security, industry sector and broad asset class, including cost and current market values, on a monthly basis.
- A portfolio statement from the custodian summarizing all holdings and transactions and identifying sources of dividend and interest income, on a monthly basis.
- A letter from Augustine describing our assessment of the economy and financial markets, on a monthly basis.
- Confirmations from the custodian describing all transactions, immediately as transactions occur.

We pride ourselves on a high level of personal service and competence throughout our organization. Immediate access to our investment and client service team is always available to address questions or concerns. Augustine strives to have personal contact with every client no less frequently than once a quarter.

ASSET MANAGEMENT PROCESS

Augustine's goal is to grow our clients' resources through management of financial assets. After consultation and agreement with clients regarding investment goals and risk tolerance, we manage portfolios on a fully discretionary basis to achieve objectives within prudent levels of risk. Recurring review of investment results, client objectives, and market conditions is an important part of our asset management process as client needs and the financial landscape change. Augustine manages equity, fixed income, and balanced strategies and determines allocation among the broad financial asset classes according to client return and risk objectives. Ultimately, success in our duties is management of portfolios that meet or exceed the goals mutually agreed upon with clients, measured over a three to five year period and against appropriate benchmarks.

INVESTMENT PHILOSOPHY

Equity

We believe superior long-term investment results are created by early identification of industry change and selection of high-quality companies that are primary drivers and beneficiaries of change.

We construct portfolios according to our thematic thinking regarding the relative attractiveness of industries while seeking companies that meet our criteria of strategic positioning, earnings growth potential, valuation, and balance sheet strength. The universe of companies we consider is not bounded by style, market cap constraints, or geographic constraints.

While we are aware of the market index against which clients judge our performance, we believe our clients are best served by the application of our active strategy rather than a mirroring of the index and achievement of index-like returns.

The equity decision process involves the combination of different investment styles: deep value, momentum, and growth at a reasonable price, in the construction of its overall equity portfolio. This is a team process amongst the investment professionals and is iterative. Proprietary screening tools have been developed which aid in the investable asset identification process.

Fixed Income

We construct fixed income portfolios with an active strategy regarding duration (maturities) and credit quality consistent with our expectations for the economy, interest rates, inflation, and repayment performance. As such, the relative weighting between government and corporate bonds and between short and long maturities changes according to our macroeconomic assessment.

From a credit standpoint, Augustine does not rely on agency ratings of risk as a sole measure of quality. We perform a comprehensive review process that includes assessment of an issuer's balance sheet, cash flow, sensitivity to the economic cycle, competitive position, and salient market factors to identify bonds with attractive risk-adjusted yields.

CODE OF ETHICS

I. In so far as our clients are concerned, we are fiduciaries and must always conduct ourselves as such. The client's interest must always come first.

II. Violations of appropriate conduct and fiduciary principles will be reported to Regulators regardless of the person involved.

III. No member of the firm will participate in Initial Public Offerings (IPO's).

IV. Prior approval of the President will be required for participation in private placements.

V. Nothing of material value as defined as a maximum \$150 value, not including meals, will be taken from or given to any client, broker or other supplier of goods and services to this firm.

VI. Prior approval of the President is required before any outside business activities are accepted by members of this firm.

VII. All "access" personnel will pre-clear all securities trades in their accounts with the Chief Compliance Officer.

VIII. There will be post-trade monitoring of all trades by access personnel by the Chief Compliance Officer.

IX. While the definition of "insider trading" is not precise, it generally includes material and non-public information. Access personnel engaged in insider trading will be dismissed.

Augustine Asset Management, Inc. considers all full time employees to be "access persons."

A copy of the code of ethics is available to all clients upon request.

Augustine has a policy whereby the Chief Compliance Officer of the firm periodically reviews the purchases and sales of equities and fixed income securities by its officers, employees, and related individuals. Augustine's policy is based upon the requirement that no individual may in any way use information acquired by him in the conduct of his employment when this may occur at the expense of a client or is in any way contrary to the client's interest. Accordingly, all officers, employees and related individuals are required to avoid knowingly purchasing or selling securities in such a way as to compete in the marketplace with clients or otherwise adversely affect their transactions using knowledge of client security transactions to profit by the market effect of such transactions, giving to others information on proposed or current purchases or sales by any client because of a possibility of such orders taking action detrimental or potentially detrimental to such client, or improperly using such knowledge for their own use or benefit. In addition, each such person will be required to report to the aforementioned designated officer every security transaction in which he has any direct or indirect beneficial ownership or interest.

FEES AND COMPENSATION

Augustine's fees are based on the market value of assets managed, as follows:

<u>Portfolio Size</u>	<u>Equity & Balanced</u>	<u>Fixed Income</u>
Up to \$2 million	1.00%	0.70%
\$2 million - \$10 million	0.80%	0.60%
More than \$10 million	0.65%	0.55%

The fee schedule is applied incrementally to the market value of the account, computed quarterly and billed at one-fourth the annual rate above. Fees are payable in arrears at the end of a quarter, not in advance. The fee schedule is included in all investment advisory contracts which are terminable by either party with thirty days prior written notice.

Augustine Asset Management, Inc. does not base its compensation on account performance. The firm has no formal relationships with third parties for the purpose of compensating a third party and/or representative in exchange for recommending potential clients to Augustine.

For new clients, Augustine has a normal minimum relationship value of \$1 million in total assets under management, which may be divided amongst numerous accounts as the client requires.

BROKERAGE PRACTICES

Augustine advises clients in the selection of an appropriate securities custodian and broker. Custodians and brokers that we recommend must meet high standards for capabilities in trading, clearing, custody and reporting. In particular, we only recommend institutions that maintain a strong capital position and take minimal proprietary risk. By working with high quality service providers of custody and trading, Augustine is able to provide asset management services as fiduciary to our clients exclusive of the conflicts of interest inherent with investment advisors that act as their own broker/dealer and custodian.

Many clients, when undertaking an advisory relationship, already have a pre-established relationship with a broker, and they will instruct Augustine to execute all transactions through that broker. In the event that a client directs Augustine to use a particular broker or dealer, it should be understood that under those circumstances Augustine will not have authority to negotiate commissions, obtain volume discounts and best execution may not be achieved. In addition, under these circumstances a disparity in commission charges may exist between the commissions charged to other clients.

With respect to each client account where Augustine Asset Management, Inc. has discretionary authority to determine the securities to be bought or sold, the amount of securities to be bought or sold, the broker dealer to be used and the commission rates to be paid, Augustine will seek prompt execution of orders at the most favorable price reasonably obtainable and in doing so will consider a number of factors including without limitation: 1) the overall direct net economic result to the client (including commission and other fees); 2) the financial strength or stability of the broker; 3) the broker's ability to effect the transaction (as in large aggregated block transactions); 4) the efficiency with which the transaction is effected by the broker; 5) the availability of the broker to stand ready to execute difficult transactions in the future and other matters which may include the receipt of "brokerage and research services" as defined in and in compliance with the Securities Acts amendments of 1975. Such services typically involve securities reports and analyses covering a broad range of information utilized in developing investment strategies. Research services furnished by brokers through whom Augustine effects securities transactions are used in servicing all of Augustine's clients.

In accordance with Augustine's policies as outlined above, Augustine may not necessarily seek the lowest commission available but rather a commission which has been and is expected to remain competitive in light of the other factors outlined above. Augustine strives to secure market competitive commission schedules with all of the custodians with which it does business. In order to minimize commissions paid for certain transactions, Augustine aggregates orders for separate clients and affect all the orders as a single transaction, thus, insuring all clients receive the same price for a given transaction. Augustine selects brokers to effect such aggregated orders in accordance with its standard policies as outlined above and, as a result, any client who directs Augustine to place account orders through specific brokers may forego benefits (i.e. minimized commissions) received from such aggregated orders.

Augustine has developed relationships with numerous bond dealers including eight "Primary Dealers" currently on the New York Federal Reserve Bank's fixed income dealer list. For fixed income transactions, Augustine seeks to secure the most competitive pricing from amongst these dealers. No additional compensation and/or commissions are paid to these dealers. Many of our custodians assess a one-time trade-away fee for such transactions but the fees are modest and more than offset by the competitive price obtained.

The Advent Portfolio Management System (Axys) is used for and benefits all clients. Since, 2005 we have used Fidelity Capital Markets to defray a portion of subscription costs for the Axys software system, Bloomberg Financial Services and ISI Research. In 2009 AAM began to have Fidelity Capital Markets defray a portion of the firm's costs for NYSE market data and Interactive Data's pricing and reference data. In 2012 AAM initiated a similar program with Charles Schwab and Company to defray costs described previously. Commissions paid are generally lower than the client would otherwise pay. Augustine makes a good faith effort to determine the percent of services which may be considered investment research for the benefit of all our clients. The portion of costs of such research may be defrayed through directing brokerage commissions generated by client transactions at Augustine's discretion (soft dollars). The portion of costs attributable to non-research is paid by Augustine in accordance with provisions of Section 28(e) of the Securities Exchange Act of 1934.

INVESTMENT MANAGEMENT TEAM

Augustine's investment professionals work as a team managing the firm's equity, fixed income, and balanced strategies. With over 115 years of collective experience investing across all asset classes globally, our investment team is distinguished by the experience and depth applied to the identification of investment opportunities and the management of portfolio risk.

Jeffrey E. Bernardo, CFA*

President

Mr. Bernardo joined Augustine in 2005. His prior roles include global equities advisor at Trinity Capital (2003-2004), Vice President and Senior Global Equity Portfolio Manager at J.P. Morgan Asset Management, London (1997-2003), and Equity Research Analyst at Donaldson, Lufkin & Jenrette (1994-1995) and Kidder, Peabody & Co (1992-1994). Mr. Bernardo is a Chartered Financial Analyst ("CFA") and holds NASD Series 3, 7 and 63 licenses and the IMRO registration in the United Kingdom. Mr. Bernardo received a BS in Economics with honors from the Wharton School, University of Pennsylvania and an MBA from the Kellogg School of Management, Northwestern University. He is President of the CFA Society of Jacksonville.

jbernardo@augustineasset.com

Neil J. Sullivan, CFA*

Executive Vice President

Mr. Sullivan joined Augustine in 2000. His prior roles include founding Partner and Senior Investment Officer at Moody, Aldrich & Sullivan, Boston (1988-2000), Managing Director of Equities and Senior Portfolio Manager at Dewey Square Investors, Boston (1984-1988), and Vice President and Senior Portfolio Manager at Bank of Boston (1970-1984). Mr. Sullivan graduated with a BS in Finance from Northeastern University and received an MBA from Boston College. He is a Chartered Financial Analyst ("CFA"), a member of the Financial Analysts Federation and a member and past director of the Boston Security Analysts Society

nsullivan@augustineasset.com

Ronald J. Burns

Founder, Investment Advisor

Mr. Burns founded Augustine in 1985. His prior roles include Chief Investment Officer at Bank of Boston 1978-1984, Executive Vice President, Investments at Home Insurance Company 1964-78, Investment Secretary at INA (CIGNA) 1957-1964, and Senior Securities Analyst at J.P. Morgan 1951-1957. Mr. Burns received a BA in Economics from Brown University.

rjburns@augustineasset.com

Frederick M. Blum*Vice President, CCO*

Mr. Blum joined Augustine in 2003. His prior roles include Chief Operating Officer at Koss-Olinger Financial Group, Inc., Gainesville, FL (2001-2003) and a 25 year career in general management, business development and marketing in the chemical industry. He holds Series 66, 7, 63, 24, and 51 NASD licenses. Mr. Blum graduated with honors from Rensselaer Polytechnic Institute, and received an M.B.A. from Syracuse University. He serves as Chairman of the Board of Beaver Street Incubator Center.

fblum@augustineasset.com

Henry L. Thorpe*Analyst*

Mr. Thorpe joined Augustine in 2011, with over 8 years of financial industry experience. His responsibilities include portfolio analytics and quantitative research of equity and fixed income markets. His prior experience includes application developer and Assistant Vice President positions at Chase Home lending and Associate at Deutsche Bank. Mr. Thorpe has a BS degree in Computer Information Systems and an MBA both from University of North Florida. He is currently pursuing the Chartered Financial Analyst certification.

hthorpe@augustineasset.com

*The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute — the largest global association of investment professionals.

There are currently more than 90,000 CFA charter holders working in 135 countries. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

High Ethical Standards

The CFA Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA charter holders to:

- Place their clients' interests ahead of their own
- Maintain independence and objectivity
- Act with integrity
- Maintain and improve their professional competence
- Disclose conflicts of interest and legal matters

Global Recognition

Passing the three CFA exams is a difficult feat that requires extensive study (successful candidates report spending an average of 300 hours of study per level). Earning the CFA charter demonstrates mastery of many of the advanced skills needed for investment analysis and decision making in today's quickly evolving global financial industry. As a result, employers and clients are increasingly seeking CFA charter holders—often making the charter a prerequisite for employment.

Additionally, regulatory bodies in 19 countries recognize the CFA charter as a proxy for meeting certain licensing requirements, and more than 125 colleges and universities around the world have incorporated a majority of the CFA Program curriculum into their own finance courses.

Comprehensive and Current Knowledge

The CFA Program curriculum provides a comprehensive framework of knowledge for investment decision making and is firmly grounded in the knowledge and skills used every day in the investment profession. The three levels of the CFA Program test a proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning.

The CFA Program curriculum is updated every year by experts from around the world to ensure that candidates learn the most relevant and practical new tools, ideas, and investment and wealth management skills to reflect the dynamic and complex nature of the profession.

DISCLOSURES AND DISCLAIMERS

Performance-Based Fees and Side-By-Side Management:

Augustine Asset Management, Inc. has no client arrangements whereby Augustine is compensated based upon the performance of the managed assets. Therefore, no conflicts exist between accounts and/or between the firm and accounts as to how they are managed, and how and when trades are executed.

Disciplinary Information:

Neither Augustine Asset Management, Inc., nor any of its employees has ever been involved in or accused of any impropriety or illegal activity related to its business activities. Nor has the firm or any employees had its licenses to practice suspended or revoked at any time.

Other Financial Industry Activities and Affiliations:

Providing investment advisory services to clients is the sole and exclusive business of Augustine Asset Management, Inc. and its employees in the financial and related fields. There are no formal business relationships between Augustine and/or any of its employees and any third party where a conflict of interest may arise. There exist no third party arrangements providing compensation in exchange for securing new clients or referrals.

Client Referrals and Other Compensation:

Augustine Asset Management, Inc. derives most of its new clients via referral from existing clients. As stated earlier Augustine does not provide compensation in any form to any third party who may refer a new client.

Custody:

Augustine Asset Management, Inc. does not at any time take custody of client funds. All checks for deposit are made out to the custodian and if received at Augustine are immediately forwarded. Augustine advises all clients to compare monthly Augustine statements with the statements received directly from their custodians.

Wrap fee programs:

Augustine Asset Management, Inc. does not participate in any wrap fee programs.

Investment Discretion:

Pursuant to the terms of the investment agreement signed by Augustine and the client, Augustine has discretionary authority to purchase and sell securities for the client's account, without first obtaining specific client consent for each transaction. However, prior to the investment of any client funds, Augustine consults with the client in order to establish investment guidelines and objectives that will determine the scope of investment activity within the account. In specific situations Augustine will refrain from investing in a particular company or industry as requested by a client. In addition, a client may request certain securities in the account not be sold without prior consultation.

Voting Client Securities (Proxy Voting):

Upon initiation of a client relationship the client is offered the option to have Augustine review and vote all proxy statements on behalf of the client. The client may change their decision at any time. Augustine will review all proxy votes and act in the shareholders' best interests. Records of all proxy votes are maintained at Augustine for a period of five years.



1551 Atlantic Boulevard
Suite 103
Jacksonville, FL 32207
(904) 396-6944 or (800) 396-6944
(904) 396-7275 FAX