



Boca Corporate Centre
7777 Glades Road
Boca Raton, FL 33434
Tel: 561.883.0740
Fax: 561.482.4055
Email: mark@derncapital.com
Website: derncapital.com

PART 2A OF FORM ADV: FIRM BROCHURE

ITEM 1: COVER PAGE

Name: Dern Capital Management Corporation
Business Address: 7777 Glades Road, #207A, Boca Raton, FL 33434
Contact Information
• Telephone: (561) 883-0740
• E-mail: mark@derncapital.com
Website: www.derncapital.com
Date of Brochure: March 28, 2012

This brochure provides information about the qualifications and business practices of Dern Capital Management Corporation (“Dern Capital”). If you have any questions about the contents of this brochure, please contact us at (561) 883-0740 or mark@derncapital.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 Dern Capital Management Corporation may be available on the SEC’s website at www.adviserinfo.sec.gov or on the State of Florida’s website at www.flofr.com. The fact that an advisor is registered as an investment advisor does not imply a certain level of skill or training.

ITEM 2: MATERIAL CHANGES

This brochure is being amended for its annual update. The following material changes exist from the last annual update, dated March 23, 2011:

Alvin Dern retired from Dern Capital, effective December 31, 2011. Dern Capital is in the process of registering with the State of Florida as an investment advisor. Once Dern Capital becomes registered in Florida, Dern Capital will withdraw its registration from the SEC.

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ITEM 4 ADVISORY BUSINESS

Inception of Business: 1992

Principal Owner: Mark Richard Dern, Esq.

Type of Advisory Services Offered by Dern Capital

- Individually Managed Accounts
 - Limited types of investments - primarily mutual funds and cash/money market accounts (may also use exchange traded funds (ETFs)).
 - Dern Capital invests for each client taking into account the client's tolerance for risk, investment objectives, investment experience and financial picture.
 - Investment Strategy - Dern Capital provides investment supervisory services which include specific securities selection and dynamic asset allocation, the shifting of assets to be in sync with changing market, financial and economic conditions. Dern Capital uses fundamental and technical analysis in its decision-making. Dern Capital believes in trend following and tries to recognize trends and to act on them in a timely and prudent manner. Dern Capital tries to take advantage of market uptrends and to avoid declining or bear markets. Dern Capital tries to maximize total returns, while managing risk through diversification and hedging or being in cash or a money market at times. While tax efficiency is a secondary goal, the investment strategy may involve an above average portfolio turnover which could negatively impact the client's net after tax gain. Dern Capital allocates assets among a number of mutual funds that use different investment styles. Portfolios using several different styles of investment management have been proven to be less risky and can be more rewarding. Dern Capital periodically tests and improves its investment strategy. Client holdings may be less diversified if Dern Capital believes it is sensible to do so. Dern Capital makes no promises, representations, guarantees or warranties to its clients that its services will result in a profit.
 - Clients give Dern Capital discretionary authority to make trades in a managed account but may impose restrictions on the management of the account (i.e. refrain from purchasing particular securities) and should advise Dern Capital of any changes in financial situation or investment objectives
 - Each individual client has a direct ownership interest in the securities in his account
 - Periodically, within each month, the Firm monitors its clients' investments to attempt to meet each client's individual needs and goals in the best possible way
 - Clients may open accounts with cash and/or acceptable securities
 - Clients are encouraged to contact or meet with Dern Capital at any time for any reason
 - Within five (5) business days of the date of the Client Agreement, either party may cancel without penalty or any fees to Dern Capital by providing the other

party with written notice. At any time thereafter, either party may terminate this Agreement by giving written notice. In either case, within 5 days of receipt of notice of termination of this Agreement by either party, Dern Capital shall liquidate all holdings and cease managing Client's portfolio. After the liquidation of the portfolio and the payment of any outstanding fees, the Agreement will be terminated. The final value for computing fees owed shall be the liquidated value of the account. Termination of this Agreement will not affect the rights and obligations of the parties arising from transactions initiated under this Agreement prior to such termination. The arbitration provision of this Agreement shall survive any termination of this Agreement.

- Dern's Market Opportunity Fund, LP – a private Investment Partnership/hedge fund
 - Dern Capital employs an opportunistic strategy, seeking maximum capital gains with generally below-market risk exposure (further description and important information can be found in the Fund's Offering Document)
 - Dern Capital invests primarily in mutual funds, stocks, and exchange traded funds (can use other vehicles as described in Fund's Offering Document)
- Wrap Fee Accounts – Not Available

Assets Managed

- All managed on a discretionary basis
- As of December 31, 2011, Dern Capital managed approximately \$27,762,192 of client assets (excluding securities held on margin)

ITEM 5: FEES AND COMPENSATION

Dern Capital's Compensation for Advisory Services

- Individually Managed Accounts
 - Accredited Investors (investor should have a net worth or joint net worth with that of his or her spouse, excluding the value of his or her primary residence, of not less than \$1,000,000 and investor should have a net worth or joint net worth with that of his or her spouse, including equity owned in a home or other real estate, of greater than \$1,500,000) - 1% of Assets under Management per year plus 20% of net profits (performance fee)
 - Billed quarterly
 - Performance fee paid monthly based on market value of account on last day of prior month
 - Net profits are the sum of the net realized and unrealized profits and losses, interest, dividends, and other income for the period minus any expenses and net realized or unrealized losses carried forward from previous periods that have not been recouped. The change in account value shall be computed by subtracting the account balance at the beginning of a month from the account

balance at the end of the month less any Client deposits and plus any withdrawals during the month.

- Once an incentive fee is paid, Dern Capital retains the fee regardless of subsequent performance; however, no additional incentive fee will be paid until Dern Capital recoups any previous losses (high-water mark).
 - The high water mark ensures that a Client does not pay performance fees on gains which Client has previously paid a performance fee
 - The high water mark is established when the account is opened with Dern Capital and recalculated monthly as of the billing date by adjusting the portfolio value for changes in market value and all deposits and withdrawals, including all fees paid to Dern Capital. The performance fee is charged only on the amount, which exceeds the high water mark.
- If the client loses money in any billing period, Dern Capital will get no performance fee for that period but will not share in that loss or return any fees previously earned
- Because the incentive fees will be paid monthly, Dern Capital could receive an incentive fee for any given month even though an account is unprofitable for the year. This fee arrangement may create an incentive for Dern Capital to make investments that are riskier or more speculative than would be the case in the absence of a performance fee.
- Client's portfolio value for the purpose of determining the performance fee is calculated using the closing Net Asset Value of each fund or security held in the portfolio at the end of the billing period; therefore, Dern Capital will receive compensation with regard to unrealized appreciation as well as realized gains in Client's account.
- Unaccredited Investors (does not meet definition of accredited investor above) - 2% of Assets under Management per year
 - Paid monthly based on market value of account on last day of prior month
 - Billed quarterly
- Client can choose whether Dern Capital bills for the individual account directly or deducts the fees from the account (done on a quarterly basis).
- Fees to Dern Capital are not paid in advance
- Dern Capital and its related parties are independent from and do not receive compensation from any brokerage firm or public mutual fund. Dern Capital may suggest that its client use certain brokerage firms but would work with one that its

client recommends in most instances. Dern Capital recommends Dern's Market Opportunity Fund, LP to investors.

- No management fees will be charged at the inception of an account until the first securities transaction (excluding money market funds) is made. If any asset-based fee due is for a partial period, the fee will be charged on a pro-rata basis.
- Similar investment services are available from other investment advisors at both higher and lower fee rates.
- Dern Capital may, in special circumstances, reduce or waive any fee in its sole discretion (i.e. anticipated future earning capacity, related accounts, pre-existing client, pro-bono accounts, etc.)
- Compensation to Others Not Related to Dern Capital Management Corporation: Mutual funds and the brokerage firms holding the securities have various fees and costs (for example: advisory fee to advisor of the unrelated fund, 12b-1 fee, early redemption fee, transaction fee). Dern Capital generally purchases no-load funds or load funds that it can purchase at no load. Mutual fund fees are disclosed in their prospectus. See Item 12 which discusses brokerage practices.
- Investors (Limited Partners) in Dern's Market Opportunity Fund (specifics on fees and expenses can be found in the Fund's Offering Document) – See Item 6
 - 1% Management Fee
 - 20% Performance or Incentive Fee paid annually (subject to high water mark as discussed in the Partnership's Offering Document)
 - Fees paid to general partner of partnership or its designee
 - All fees and expenses deducted directly from the partners' accounts.
 - Conflicts that may arise are addressed in the Fund's Offering Document provided to each investor

ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As discussed in Item 5, Dern Capital accepts performance based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client) from accredited investors. As also noted in Item 5 above, fees are negotiable. Performance based fee arrangements may create an incentive for the adviser to make investments that are riskier or more speculative than would be the case in the absence of a performance fee. Client's portfolio value for the purpose of determining the performance fee is calculated using the closing net asset value of each security held in the portfolio at the end of a billing period; therefore, Dern Capital will receive compensation with regard to unrealized appreciation as well as realized gains in client accounts. Dern Capital will not manage this account any different from accounts under different types of fee schedules and will not favor one type of account over the other. The primary investment used in the individually managed accounts is mutual funds which generally price once daily so all clients receive the same price.

ITEM 7: TYPES OF CLIENTS

Dern Capital Management Corporation provides investment advice to the following clients:

- Individuals
- Investment Company (Dern's Market Opportunity Fund, LP)
- IRA/Pensions
- Trust Accounts

Requirements for Opening or Maintaining an Account

- No minimum for individually managed accounts
- \$250,000 minimum for initial investment into Dern's Market Opportunity Fund, LP
- Minimum can be waived (see Item 5 re fees)
- Dern Capital Management Corporation has absolute discretion over which accounts it will manage and which accounts it decides to stop managing

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Description of Methods of Analysis and Investment Strategies Used in Formulating Investment Advice or Managing Assets

- Dern Capital's security analysis includes charting, fundamental, technical and cyclical analysis. Dern Capital examines financial periodicals and research prepared by third parties in addition to technical computer software.
- Dern Capital's hold time of the underlying vehicles varies from short term to long term purchases.
- Dern Capital only uses margin and short sales in managing Dern's Market Opportunity Fund unless also given special permission to do so by a client.
- Investing in securities involves a risk of loss that clients should be prepared to bear. No investment strategy is correct all of the time and certain occurrences which can significantly impact the markets cannot be predicted.
- Dern Capital makes short term investments. Frequent trading can affect investment performance, particularly though increased brokerage and other transaction costs and taxes.
- Dern Capital investors may have other risks, including, but not limited to the following: market risk, trading and specific investment risk, failure to properly assess economic conditions, mutual fund restrictions, foreign exposure risk, concentration risk, and brokerage firm risk.
- Limited partners in Dern's Market Opportunity Fund should understand that this investment carries certain risks, including, but not limited to the following: reliance on the General Partner and Investment Manager, market risk, trading and specific investment risk, margin risk, derivative risk, short selling risk, failure to properly assess economic conditions, option risk, lack of liquidity, valuation risk, swap transaction risk,

suspension of trading or redemption risk, mutual fund restrictions, foreign exposure risk, concentration risk, risk of substantial withdrawals, brokerage firm risk, business and regulatory risks of private investment partnerships, fund structure risk, tax related risks and conflicts of interest. Risks associated with an investment in the fund can be found in the fund's Private Offering Document.

ITEM 9: DISCIPLINARY INFORMATION

No material disciplinary information exists

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Dern Capital serves as the investment manager to Dern's Market Opportunity Fund, LP, a related entity. Valley Management, LP, a related party of Dern Capital, is the general partner of Dern's Market Opportunity Fund, LP., a private investment partnership in which Dern Capital clients and others are solicited to and do invest. Dern's Market Opportunity Fund, LP pays to Dern Capital fees for serving as the investment adviser. This arrangement creates a material conflict of interest with Dern Capital clients as related parties are dealing with each other. Dern Capital believes it is important to disclose this conflict so partners and prospective partners have knowledge of this fact.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT
TRANSACTIONS AND PERSONAL TRADING

The Code of Ethics is intended to address standards of business conduct necessary to comply with federal securities laws and regulations and the safeguarding of nonpublic information. Supervised persons must acknowledge in writing receipt of a copy of the Code of Ethics and any amendments. Supervised persons must report promptly any violations of Dern Capital's Code of Ethics to the firm Chief Compliance Officer (CCO) for his prompt action (notes will be kept of reported violations). The Code states as follows:

- Standards of business conduct: Dern Capital and all Dern Capital personnel shall meet the required high standard of business conduct noted throughout this [Dern Capital's] Procedures Manual. Dern Capital shall fulfill its fiduciary duties to its clients.
- All Dern Capital personnel shall comply with federal securities laws including but not limited to the protection of insider and nonpublic information.
- All Dern Capital personnel shall report personal securities holdings and transactions to the CCO for review, which is done on at least a quarterly basis
- All Dern Capital personnel shall obtain pre-approval by the CCO or a senior officer of the company of personal investments in initial public offerings and limited offerings.
- Gifts: Dern Capital only accepts occasional de minimus gifts.

Dern Capital will provide a copy of its Compliance Procedures, including the code of ethics to any client or prospective client upon request. Mark Dern, Esq. serves as the CCO of Dern Capital.

Dern Capital is under common control with Valley Management, LP, the general partner of Dern's Market Opportunity Fund, LP. The firm will recommend the Partnership as an investment to clients who it believes the Partnership is suitable. Disclosure is made in the Confidential Private Offering Memoranda that the general partner of the Partnership is affiliated with the firm. The Private Offering Memoranda addresses a variety of issues including the risks associated with the investment.

From time to time, Dern Capital and/or any of its employees or related persons, buys, sells or holds securities identical to or different from those held by clients of the firm. Also, an occasion may arise when a client and a related person of the firm desire to buy or sell an identical security at the same time. In such a case, the client's order would be executed either prior to or simultaneously with the related person's order to insure fair and reasonable execution and the best price to the client. Most mutual funds are priced once daily, and thus all purchases or sales of shares in these funds on any given day will be executed at the prices computed by the funds for that day. To avoid any possible conflict of interest, records of these transactions will be maintained and reviewed on an ongoing and regular basis by the firm. Mark Dern and his family members and related entities may participate in initial public offerings, private placements and thrift conversion offerings. Unless specifically agreed to in writing by both Dern Capital and the client, a client will not be placed into initial public offerings and private placements. These investment opportunities can be extremely speculative and may only be suitable for very aggressive investors. Dern Capital will not invest its fee paying or nonfamily client's funds into thrift conversion offerings or savings institution or credit union certificates of deposits, checking or savings accounts.

ITEM 12: BROKERAGE PRACTICES

Dern Capital will, if asked, assist its clients in establishing brokerage accounts at one or more brokerage firms. Dern Capital seeks to obtain the best overall results for the client, considering such factors as the following:

- Commission rates (since commission rates are only one factor considered, clients should be aware that lower commissions might be available from other brokers)
- Discounts offered
- Financial stability of the firm
- Quality of professionalism and service provided by the broker to the client and Dern Capital
- Value of any products, research and services that may be given to Dern Capital may be a factor

Dern Capital has suggested TD Ameritrade to many clients. TD Ameritrade's commission rates are low compared to many other brokerage firms but others may be lower.

Registrant served for two years on the TD Ameritrade Institutional Advisor Panel ("Panel"). The Panel consists of approximately twenty-four independent investment advisors that advise TD Ameritrade Institutional on issues relevant to the independent advisor community. The Panel meets in person on average three to four times per year and conducts periodic conference calls on an as needed basis. Investment advisors are generally appointed to serve on the Panel for two year terms by TDA Institutional senior management. Registrant's term expired on January 31, 2008. TD Ameritrade does not compensate Panel members. However, TD Ameritrade pays or reimburses Registrant for the travel, lodging and meal expenses Registrant incurs in attending Panel meetings. The benefits received by Registrant or its personnel by serving on the Panel do not depend on the amount of brokerage transactions directed to TD Ameritrade. Clients should be aware, however, that the receipt of economic benefits by Registrant or its related persons in and of itself creates a potential conflict of interest and may indirectly influence Registrant's recommendation of TD Ameritrade for custody and brokerage services.

Some clients will instruct Dern Capital to execute all transactions through a specific broker. In those cases, it should be understood that a disparity in commission charges might exist between the commissions these clients pay versus those charged to other Dern Capital clients. In these cases, Dern Capital may not be able to achieve the most favorable execution of client transactions. Directing brokerage may cost clients more money. For example, a client may pay higher brokerage commissions because the client may not be able to aggregate orders to reduce transaction costs or the client may receive less favorable prices.

As the investment manager for Dern's Market Opportunity Fund, LP, Dern Capital is authorized to determine the brokers to be used for each securities transaction. In selecting brokers or dealers to execute transactions, Dern Capital need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. Dern Capital may negotiate "execution only" commission rates and may also negotiate commission rates, whereby the Partnership may be deemed to be paying for other services provided by the broker which are included in the commission rate (internet based stock quotations with ability to place orders). In negotiating commission rates, Dern Capital will take into account the financial stability and reputation of brokerage firms and the services provided by such brokers, although the Partnership may not, in any particular instance, be the direct or indirect beneficiary of any research services provided.

Neither Dern Capital nor any of its officers or employees is affiliated, registered with or employed by any brokerage firm through whom client transactions are executed, and therefore they do not receive any commissions or fees for recommending or using the services of any brokerage firm.

Research and Other Soft Dollar Benefits: Dern Capital does not receive much in the way of research, products or services from the brokers it uses. Dern Capital has received the following free benefits:

- On line computer services that provide investment related information such as security prices and other information on particular securities or issuers and the markets in general, the ability to view account information, and the ability to execute trades online and handle other administrative or business matters (TD Ameritrade and Fidelity)
- Periodic seminars about investing and other subjects relevant to the investment industry (TD Ameritrade)

All Dern Capital clients benefit from services provided by TD Ameritrade and Fidelity. Dern Capital clients will not pay commissions higher than those obtainable from the providing broker solely as a result of the executing broker's providing of research products or services to Dern Capital. Since commission rates are only one of the factors considered, clients should be aware that lower commissions might be available by using other brokers. Receipt of these benefits by Dern Capital will not result in the clients paying more than would otherwise be paid to the broker providing the service. Advisors might have an incentive to select or recommend a broker-dealer based on an interest in receiving the research or other products or services, rather than on the advisor's clients' interest in receiving most favorable execution.

Dern Capital generally does not consider selecting or recommending broker dealers based on whether it received client referrals from a broker dealer or a third party. Dern Capital may direct brokerage commissions on purchases or sales of shares of securities to broker dealers who are instrumental in the sale of limited partnership interests, consistent with best execution. This has not been done yet. In general, advisors may have an incentive to select or recommend a broker-dealer based on an interest in receiving client referrals rather than on the clients' interest in receiving most favorable execution.

Dern Capital rarely would need to aggregate orders for its individual accounts as they are primarily invested in mutual funds, which do not need to be aggregated. To insure equal client treatment on aggregated orders, if any, each client would participate at the average share price with all transaction costs shared on a pro-rata basis. Any client not wanting his or her orders aggregated should inform Dern Capital of this request. In the case of partial fills, the fills will be distributed on a pro-rata basis with all transaction costs shared on a pro-rata basis. When possible, Dern Capital will try to aggregate orders to save money for its clients.

ITEM 13: REVIEW OF ACCOUNTS

Periodically, within each month, Mark Dern will monitor its clients' investments to attempt to meet each client's individual needs and goals in the best possible way. Triggering factors for change include market or economic changes as well as better opportunities. Dern Capital reviews the monthly brokerage statements and the daily brokerage transaction sheets to verify that all transactions were made and recorded properly.

In addition to the reports the brokerage firms send directly to Dern Capital's individual clients, Dern Capital sends its clients quarterly reports summarizing performance.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

Neither Dern Capital nor any related persons receive any sales awards or prizes from any person who is not a client for Dern Capital's providing investment advice to its clients.

Dern Capital has a referral fee arrangement to compensate solicitors for recommending investment advisory services to potential clients. Such arrangement was entered into in accordance with the terms and conditions of Rule 206(4) 3 under the Investment Advisers Act of 1940 and any other applicable federal and state laws or regulations. Dern Capital has a placement agreement with Regal Securities, Inc. ("Regal"), a broker dealer registered with the Securities and Exchange Commission, for the purpose of Regal referring investors to Dern's Market Opportunity Fund, LP. All fees paid to Dern Capital by investors introduced to Dern by Regal are split evenly between Dern and Regal. Dern Capital is not affiliated with Regal.

ITEM 15: CUSTODY

Generally, Dern Capital's fees can be paid directly from the client's brokerage account or by the client. If the former option is selected, then the following is necessary:

- the client must provide written authorization permitting the Firm's fees to be paid directly from the client's account held by an independent custodian
- the Firm sends to the client and the custodian at the same time, a bill showing the amount of the fee, the value of the client's assets on which the fee was based, and the specific manner in which the Firm's fee was calculated, and
- the custodian agrees to send to the client a statement, at least quarterly, indicating all amounts disbursed from the account including the amount of advisory fees paid directly to Dern Capital.

Dern Capital has custody of client funds because it deducts fees from the individually managed accounts (after client consent). Qualified custodians (TD Ameritrade and/or Fidelity), both registered broker dealers with the SEC, send monthly account statements directly to each client.

Clients should carefully review the brokerage statements and compare them with the reports sent by Dern Capital.

Dern Capital and/or Valley Management LP, the General Partner of Dern's Market Opportunity Fund, LP, is deemed to have custody because it is the investment manager or General Partner of Dern's Market Opportunity Fund, LP and authorized to withdraw funds to return capital to a redeeming partner (including Dern Capital and/or related parties) and to pay fund expenses and fees. With regard to Dern's Market Opportunity Fund, LP, the fund does the following:

- distributes its audited financial statements prepared in accordance with generally accepted accounting principles to all investors within 120 days of the end of its fiscal year, December 31st
- Uses Alps Inc., an independent third party administrator and
- the audit is performed by Moss Adams, LP, an independent public accountant registered with the Public Company Accounting Oversight Board.

ITEM 16: INVESTMENT DISCRETION

Dern Capital has discretionary authority to determine, without obtaining specific client consent, the securities to be bought or sold and their amount. Clients may place limitations on this authority (i.e. not to purchase specific investments, to avoid investments with management fees in excess of a certain percentage). In order to have this discretionary authority, client executes a limited power of attorney giving Dern Capital this specific right. The client will not be giving Dern Capital the authority to withdraw clients' funds or securities (except for fees as discussed in Item 15).

As the investment manager for Dern's Market Opportunity Fund, LP, Dern Capital is authorized to determine the securities to be bought and sold and the amount of such securities consistent with the investment objectives of the partnership as described in the Private Offering Memorandum.

ITEM 17: VOTING CLIENT SECURITIES

Dern Capital does not vote its client securities. Clients should receive their proxies and other solicitations directly from the custodian. Clients can call Dern Capital with a question about this or any other topic.

ITEM 18: FINANCIAL INFORMATION

Dern Capital does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Dern Capital does not have any financial condition that is reasonably likely to impair its ability to meet any contractual commitments to its clients. Dern Capital has never been the subject of a bankruptcy petition.

ITEM 19: REQUIREMENTS FOR STATE REGISTERED ADVISERS

President, CCO, and Director – Mark Dern, Esq. – Education and background information can be found in Part 2B of this document.

Business in which Mark Dern is actively engaged other than giving investment advice – none

For a description of the performance based fees charged by Dern Capital, see Items 5 and 6 in Part 2A

Other relationships or arrangements with issuers of securities not listed in Item 10 - none

PART 2B OF FORM ADV: BROCHURE SUPPLEMENT

ITEM 1: COVER PAGE

Name: Mark Richard Dern, Esq.

Business Address: 7777 Glades Road, #207A, Boca Raton, FL 33434

Contact Information

- Telephone: (561) 883-0740 (office)
- E-mail: mark@derncapital.com

Firm's Name: Dern Capital Management Corporation

Firm's Address Same as Mark Dern's business address

Firm's Telephone Same as Mark Dern's business telephone

Date of Brochure March 28, 2012

This brochure supplement provides information about Mark Richard Dern, Esq. that supplements Dern Capital Management Corporation's brochure. You should have received a copy of that brochure. Please contact Mark Dern, President, if you did not receive Dern Capital Management Corporation's brochure or if you have any questions about the contents of this supplement. Additional information about Mark Richard Dern, Esq. is available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2 EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Mark Richard Dern, Esq.

Born February 27, 1963

Education:

- Emory University, Atlanta, Ga. 1981-83
- BBA with honors (Finance) University of Texas, Austin, TX 1985
- JD (Law Degree) University of Florida, Gainesville, Florida 1988
- Attended a few other undergraduate colleges for individual courses

Business Background

- May 2000 – Present: President (since 2005) of Market Corporation, the General Partner of Valley Management LP, a hedge fund manager in Boca Raton, FL (formerly VP)
- February 1994 – Present: President (since 2005) of Dern Capital Management Corporation, an Investment Advisor in Boca Raton, FL (formerly VP)
- Mark Dern manages family and personal investments

Legal Experience:

- Associate Attorney, Nortman & Bloom, P.A., Miami, FL 1992-94
- Associate Attorney, Jorden Schulte & Burchette, Miami, FL 1990-92
- Judicial Law Clerk, Justice Ben Overton, Florida Supreme Court, Tallahassee, FL 1988-90
- Former Arbitrator of securities industry and customer disputes brought for hearing and resolution before the National Association of Securities Dealers, Inc. (NASD)
- Member of The Florida Bar
- Former Member of the State Bar of Georgia (withdrew after being inactive for a number of years)

ITEM 3: DISCIPLINARY INFORMATION

None

ITEM 4: OTHER BUSINESS ACTIVITIES

Mark Dern recommends Dern's Market Opportunity Fund, LP to investors but discloses that the Fund is a related party.

Mark Dern does personal investing as disclosed in the firm brochure

Mark Dern is not involved in any other substantial business activities

ITEM 5: ADDITIONAL COMPENSATION

None

ITEM 6: SUPERVISION

Mark Dern is the President and Chief Compliance Officer of Dern Capital

ITEM 7: REQUIREMENTS FOR STATE-REGISTERED ADVISERS

None
