

Form ADV Part 2A: Firm Brochure

Item 1: Cover Page

**Bernardi Asset Management, LLC
20 S. Clark St., Suite 2700
Chicago, IL 60603
(312) 281-2000**

October 15, 2015

This brochure provides information about the qualifications and business practices of Bernardi Asset Management, LLC. If you have questions about the contents of this brochure, please contact us at 312-281-2000. 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 Bernardi Asset Management, LLC is also available on the SEC's website at www.advisorinfo.sec.gov. Registration with the SEC does not imply a certain level of skill or training.

Item 2: Material Changes

There were no “material changes” to the Form ADV Part 2A or the annual updating amendment to Form ADV as filed for our fiscal year ended September 30, 2015.

Item 3: Table of Contents

| | |
|--|----|
| Item 1: Cover Page | 1 |
| Item 2: Material Changes | 2 |
| Item 3: Table of Contents | 3 |
| Item 4: Advisory Business | 4 |
| Item 5: Fees & Compensation | 4 |
| Item 6: Performance-Based Fees and Side-By-Side Management | 5 |
| Item 7: Types of Clients | 5 |
| Item 8: Methods of Analysis, Investment Strategies and Risk of Loss | 5 |
| Item 9: Disciplinary Information | 6 |
| Item 10: Other Financial Industry Activities and Affiliations | 6 |
| Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading | 6 |
| Item 12: Brokerage Practices | 7 |
| Item 13: Review of Accounts | 8 |
| Item 14: Client Referrals and Other Compensation | 8 |
| Item 15: Custody | 8 |
| Item 16: Investment Discretion | 8 |
| Item 17: Voting Client Securities | 9 |
| Item 18: Financial Information | 9 |
| Privacy Policy | 10 |
| Part 2B of Form ADV: Brochure Supplement | 11 |

Item 4: Advisory Business

Bernardi Asset Management, LLC (hereafter “we,” “us,” “our” and “BAM”) provides professional, separate account fixed-income asset management, with a specialization in municipal bonds. Portfolios can be managed for taxable or tax-free accounts. We were formed in 2000 as a subsidiary of Bernardi Securities, Inc. (BSI), a registered broker-dealer which was formed in 1984.

Types of Services We Offer

We provide separate account fixed-income portfolio management. Portfolios are tailored to the individual needs of clients through extensive discussions with each client and their advisor(s). Various portfolio research and management documents are required and serve as the basis for portfolio investments. Clients may impose certain investment restrictions.

We generally offer investment advice on corporate debt securities; commercial paper; certificates of deposit; municipal securities; mutual fund shares; United States government securities; and money market funds.

Assets Under Management (as of 9/30/2015)

Discretionary: \$98,779,250

Non-Discretionary: \$25,360,373

Item 5: Fees & Compensation

Fees are calculated based upon the market value of the portfolio at the close of a calendar quarter. For new accounts, prorated quarterly fees are calculated based upon the market value at the time management commences. The minimum length of a management term is six months.

Fee Schedule

| | |
|------------------------|-------|
| Up to \$2 million | 0.45% |
| \$2-5 million | 0.35% |
| \$5-10 million | 0.30% |
| \$10-15 million | 0.25% |
| \$15 million and above | 0.20% |

Fees are negotiable, under certain circumstances, including:

- Long Term Relationships
- Large Account Relationships
- Charitable and Civic Organizations

Collection

Fees are payable quarterly in advance and are generally deducted from client accounts. Clients can elect to pay fees from outside funds if they desire. The fee will be computed and billed at the beginning of each quarter by applying one quarter of the applicable annual rate to the market value of the portfolio on the last trading day of the preceding quarter.

Other Fees

Other fees that may be applicable include:

| | |
|-----------------------------------|---|
| Per trade processing fee: | \$12 per occurrence |
| Retirement account custodian fee: | \$75 per year |
| Wire transfer fee: | \$20 per occurrence |
| Paper Statement/Confirm fee: | \$0.75 per occurrence (waived with electronic delivery) |
| Money Market management fee: | Varies due to fund selected by client |

These fees are passed through from the custodian. BAM and BSI receive no portion of these fees. Please refer to Item 12: Brokerage Practices.

Payment timing

Since fees are paid quarterly in advance, any unearned fees will be refunded on a prorated basis if management is terminated before the end of a payment cycle. However, if a client terminates our management of the portfolio prior to six months, all billed and unbilled management fees will be deducted from the managed portfolio to cover the initial six-month period. After the initial six months, management may be terminated by us or the client with at least thirty (30) days written notice. Payment will be refunded by check or transfer to the managed portfolio(s).

Item 6: Performance-Based Fees and Side-By-Side Management

We do not charge performance-based fees.

Item 7: Types of Clients

We manage portfolios for a variety of clients such as Individuals, Banks, Pension & Profit Sharing Plans, Trusts & Estates, Corporations & Other Business Entities.

Minimum Account Size

\$1,000,000

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

Fixed Income accounts managed by us are typically structured in a laddered maturity strategy. Generally, as bonds mature, the proceeds are reinvested in new investments that extend the ladder out over the life of the portfolio.

Methods of analysis include fundamental and technical analysis; yield and current credit metric analysis are also employed. Analysis of the capital and interest rate markets are regularly performed. Our main sources of information for such analysis come from financial newspapers and magazines; research materials prepared by others; corporate rating services; annual reports, prospectuses and filings with the SEC; and audited financial statements of municipalities.

Portfolios are generally managed in one of two specific styles: Total Income Portfolio and Value Added. Generally, Total Income Portfolios seek to generate income through long-term “buy and hold” positions. Value Added Portfolios seek to generate income through long-term positions, and also seek to

supplement portfolio return by swapping portfolio holdings for new investments when sensible opportunities arise.

Fixed Income investing includes material risks that investors must be prepared to bear. These risks include market rate decline, interest rate fluctuation, reinvestment risk, sector concentration, and issuer default.

Item 9: Disciplinary Information

BAM has no disciplinary information to report about itself or its management persons.

Item 10: Other Financial Industry Activities and Affiliations

Registered Representatives

The following BAM employees are also Registered Representatives of BSI:

Eric Bederman
Matthew Bernardi
Ronald Bernardi
Thomas Bernardi, CFA
Rick Gerali
Jeffrey Irish
Luciano Lamberti
Michelle Landis
Scott Rausch, CFA
John Tranas

Material Relationships

We have a material relationship with BSI, our sole owner and a registered municipal securities broker/dealer. We use BSI as the broker-dealer for all of the securities transactions effected on behalf of our client accounts. This relationship could have the potential to create a conflict of interest pertaining to a client's purchase of securities owned by BSI. All client purchases of securities owned by BSI are executed at BSI's cost and only with the written consent of the client, thus mitigating the potential conflict of interest. In addition, we provide the client with full disclosure concerning our affiliation with BSI and request authorization in advance of a trade execution.

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

BAM has adopted a comprehensive Code of Ethics for all portfolio managers and employees which addresses Standards of Business, Prohibition Against Insider Trading, Personal Securities Transactions, Gifts and Entertainment, and Customer Privacy. A copy of this Code will be provided upon request.

Our sole owner, BSI, will be utilized by us to effect securities transactions for client accounts. BSI will act in either principal or agent capacity in such transactions. Written disclosure of the capacity in which BSI

is acting (i.e., either as principal or agent) will be provided to the client and consent, prior to the completion of the transaction, will be obtained from such clients for all principal trades.

BAM, our portfolio managers and employees, may from time-to-time purchase or sell the same securities for our own accounts that are recommended for purchase for client accounts. In order to ensure that client interests take precedence over the personal securities trading interests of others within our control, transactions for client accounts will receive preference in terms of execution and price over transactions effected at or about the same time for the personal accounts of BAM, our portfolio managers, or employees. Further, we require each portfolio manager and employee to report on a periodic basis their personal securities transactions to our compliance officer to ensure that client accounts are not disadvantaged by the personal securities transactions of such persons.

From time-to-time, BAM will offer securities to clients that are owned by BSI, if consistent with client investment parameters. This represents a potential conflict of interest. This conflict is mitigated by offering these investments to BAM clients at BSI's cost plus a transaction fee. In addition, the client will be provided with full disclosure at the time of the trade and will be required to provide written authorization in advance of the trade execution.

In situations where securities are owned by BSI and sold to both a BAM client and a person related to BSI, the BAM client will receive an execution at BSI's cost. This will be equal to or better than the execution price received by the person related to BSI. In addition, the client will be provided with full disclosure at the time of the trade and will be required to provide written authorization in advance of the trade execution.

Item 12: Brokerage Practices

For all of our clients, we direct brokerage to BSI as the executing broker dealer for transactions in client accounts. Due to the unique nature of fixed income products, we utilize BSI to obtain the appropriate fixed income products at competitive prices. This relationship has a potential conflict of interest in that BSI may not provide the best execution. However, this potential conflict is mitigated as BAM's trading procedures require multiple bids to be received from multiple dealers prior to accepting BSI's bid price. In situations where BSI does not provide the best bid, BAM will trade with the broker providing the best bid.

BAM clients may engage BSI's clearing broker dealer, Pershing LLC, as the custodian of their investments. Clients may also wish to establish a securities account with one or more clearing brokers or custody banks that we have a business relationship with at the time of the engagement. BAM will also consider other, client directed, custody relationships based upon the capabilities of the requested custodian.

BSI sets the transaction fee rates charged to clients. It is anticipated that the fees charged to our clients will be discounted from those of major full-service brokerage firms. However, these fees will not be as low as those charged by discount brokerage firms.

We do not receive research, soft dollar compensation, or any other services from Pershing LLC, or any of the custody banks or brokerage firms described above.

We may aggregate client orders to achieve the most favorable execution.

Item 13: Review of Accounts

All accounts are reviewed on a quarterly basis, at a minimum. Portfolios are reviewed for accuracy, conformance to client parameters, and performance relative to appropriate benchmarks. Trigger factors that influence a review include: credit upgrades and downgrades, significant market events as viewed by the portfolio manager, buying and selling opportunities, maturity of fixed-income assets, increased cash balance, and outperformance or underperformance versus a comparative benchmark. Reviews are performed by one of three Portfolio Managers assisted by Investment Specialists and support staff.

Clients, generally, receive from us a portfolio appraisal and performance report at the end of each calendar quarter, or upon request. This report details the portfolio holdings, fixed income statistics, projected income, and performance returns. In addition to the quarterly reports provided, clients also receive statements and trade confirmations as provided by the account's custodian.

Item 14: Client Referrals and Other Compensation

BAM has a referral agreement with BSI. In this agreement, a portion of our management fee is remitted to BSI as compensation for their management and administrative services.

We also have a referral agreement with Alley Company LLC. In this agreement with Alley, a portion of our management fee, from accounts introduced by Alley Company LLC, is remitted to Alley Company LLC, as compensation for the referral. These agreements in no way increase the fee charged to our clients.

We do not accept anything of economic benefit from unrelated parties for providing investment advice or other services to our clients. We do not accept or provide prizes or sales awards to any of our employees or representatives.

Item 15: Custody

BAM does not act as custodian of client funds. Clients will receive account statements and trade confirmations directly from the custodian of their assets. These documents are the only documents that should be relied upon for tax filing and portfolio valuation purposes, and are solely the responsibility of the custodian. Clients are urged to compare the portfolio appraisal and performance report sent by BAM with the reports provided by the custodian. Discrepancies should be brought to our attention immediately.

Item 16: Investment Discretion

BAM will accept investment discretion over a client's managed portfolio. This discretion is limited to decisions regarding what assets shall be bought, sold, retained, exchanged, or converted. We will

accept limited restrictions on this discretion pertaining to investment geography, the client's cash balance or specific holdings. Discretion is granted to us by execution of a management agreement.

Item 17: Voting Client Securities

BAM does not accept authorization to vote proxy ballots for securities in client portfolios. Proxy ballots and solicitations are sent to the client by the custodian and are the responsibility of the client to complete. However, we will provide information to the client, as requested, to assist the client with questions concerning a proxy ballot should the client make such a request.

Item 18: Financial Information

Not applicable.

Privacy Policy

One of BAM's primary goals is to protect client privacy. To conduct regular business, we may collect nonpublic information from sources such as:

- Information reported by you on applications or other forms provided by us
- Information about your transactions with us, or affiliates, or others
- Information we receive as part of a consumer report

However, BAM does not share or disclose any nonpublic personal information about its current or former clients, except as required by law enforcement organizations. All information will remain confidential.

BAM will internally safeguard client nonpublic personal information by restricting access to only those employees who provide products or services, or those who need access to this information to service client accounts. In addition, we will maintain physical, electronic, and procedural safeguards that meet federal and/or state standards to guard nonpublic personal information.

Part 2B of Form ADV: Brochure Supplement

Brochure Supplement – Ronald P. Bernardi

Item 1. Cover Page

Ronald P. Bernardi
Bernardi Asset Management, LLC
20 S. Clark St., Suite 2700
Chicago, IL 60603

October 15, 2015

This brochure supplement provides information about Ronald P. Bernardi that supplements Bernardi Asset Management LLC brochure. You should have received a copy of that brochure. Please contact Eric Bederman at (312) 281-2010 if you did not receive this brochure or if you have any questions about the contents of this supplement.

Item 2. Educational Background and Business Experience

Name: Ronald P. Bernardi

Year of Birth: 1958

Formal Education after High School:

B.A. Cum Laude, Economics, Bucknell University

Business Background for Preceding Five Years:

01/1985 to Present—President & CEO (Current Position) Bernardi Securities, Inc.

02/2000 to Present—Manager, President, Treasurer, CEO, Bernardi Asset Management, LLC

Item 3. Disciplinary Information

None

Item 4. Other Business Activities

None

Item 5. Additional Compensation

None

Item 6. Supervision

Ronald Bernardi is the Manager of Bernardi Asset Management, LLC. Although Mr. Bernardi is our President, Manager and CEO, Mr. Bederman, our Chief Compliance Officer, reviews the trading activity with client accounts managed by Mr. Bernardi.

Brochure Supplement – Thomas P. Bernardi, CFA

Item 1. Cover Page

Thomas P. Bernardi, CFA
Bernardi Asset Management, LLC
20 S. Clark St., Suite 2700
Chicago, IL 60603

October 15, 2015

This brochure supplement provides information about Thomas P. Bernardi that supplements Bernardi Asset Management LLC brochure. You should have received a copy of that brochure. Please contact Ronald P. Bernardi at (312) 281-2030 if you did not receive this brochure or if you have any questions about the contents of this supplement.

Item 2. Educational Background and Business Experience

Name: Thomas P. Bernardi, CFA

Year of Birth: 1989

Formal Education after High School:

B.A., Economics & History, Bucknell University

Business Background for Preceding Five Years:

11/2014 to Present—Portfolio Manager, Bernardi Securities, Inc.

05/2015 to Present—Portfolio Manager, Bernardi Asset Management, LLC

07/2011 to 10/2014—Securities Analyst, MB Financial Bank

Item 3. Disciplinary Information

None

Item 4. Other Business Activities

None

Item 5. Additional Compensation

None

Item 6. Supervision

The advice this individual provides is first reviewed prior to execution or submission to clients. This individual is also required to abide by the BAM's compliance manual, code of ethics, and review of personal trade procedures. He is supervised by Ronald P. Bernardi, Manager of Bernardi Asset Management, LLC, 312-281-2030.

Brochure Supplement – Eric A. Bederman

Item 1. Cover Page

Eric A. Bederman
Bernardi Asset Management, LLC
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Chicago, IL 60603

October 15, 2015

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Item 2. Educational Background and Business Experience

Name: Eric A. Bederman

Year of Birth: 1965

Formal Education after High School:

B.S., English Literature, University of Wisconsin-Madison

M.B.A., Lake Forest Graduate School of Business-Chicago

Business Background for Preceding Five Years:

07/1999—Chief Operating & Compliance Officer, Bernardi Securities, Inc.

02/2000—Chief Operating & Compliance Officer, Bernardi Asset Management, LLC

Item 3. Disciplinary Information

None

Item 4. Other Business Activities

None

Item 5. Additional Compensation

None

Item 6. Supervision

This individual does not provide investment advice. Mr. Bederman's personal trading and his overall activities conducted on our behalf are supervised by Ronald P. Bernardi, Manager of Bernardi Asset Management, LLC, 312-281-2030.

Brochure Supplement – Scott R. Rausch, CFA

Item 1. Cover Page

Scott R. Rausch, CFA
Bernardi Asset Management, LLC
20 S. Clark St., Suite 2700
Chicago, IL 60603

October 15, 2015

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Item 2. Educational Background and Business Experience

Name: Scott R. Rausch, CFA

Year of Birth: 1962

Formal Education after High School:

B.S.S., Communications Studies, Northwestern University

M.B.A., Finance, University of Chicago Graduate School of Business

Business Background for Preceding Five Years:

07/2013 to Present—Senior Portfolio Manager, Bernardi Securities, Inc.

02/2014 to Present—Senior Portfolio Manager, Bernardi Asset Management, LLC

05/1996 to 07/2013—Vice President, Alpha Advisors, Inc.

Item 3. Disciplinary Information

None

Item 4. Other Business Activities

None

Item 5. Additional Compensation

None

Item 6. Supervision

The advice this individual provides is first reviewed prior to execution or submission to clients. This individual is also required to abide by the BAM's compliance manual, code of ethics, and review of personal trade procedures. He is supervised by Ronald P. Bernardi, Manager of Bernardi Asset Management, LLC, 312-281-2030.

Brochure Supplement – John Tranas

Item 1. Cover Page

John Tranas
Bernardi Asset Management, LLC
20 S. Clark St., Suite 2700
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October 15, 2015

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Item 2. Educational Background and Business Experience

Name: John Tranas

Year of Birth: 1968

Formal Education after High School:

B.A., Economics, University of Illinois

M.B.A., De Paul University Kellstadt Graduate School of Management

Business Background for Preceding Five Years:

06/2005 to Present—Portfolio Manager, Bernardi Securities, Inc.

08/2007 to Present—Portfolio Manager, Bernardi Asset Management, LLC

Item 3. Disciplinary Information

None

Item 4. Other Business Activities

None

Item 5. Additional Compensation

None

Item 6. Supervision

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