

TO OUR CLIENTS AND FRIENDS:

October 1, 2003 marked the first day of our twentieth year at Bernardi Securities, Inc. We have accomplished a great deal for our clients over the past 19 years because of your trust in us and your continuing confidence in our ability to provide you with value and service. We thank you.

In recent years, the nation has been confronted with reports of new and disturbing misdeeds attributed to a plethora of individuals and firms working in our industry. With too much regularity the investing public finds itself buffeted with greedy acts by investment professionals; people who should be the bulwarks of honesty and service to their clients. Like you, I can only shake my head and marvel at the degree of arrogance and stealth.

I thought it important for me to provide you with the essence of our *Mission Statement*, as we begin our 20th year. A “credo” that has guided us and helped you, our clients, as well as ourselves over the years.

1. First and foremost, Bernardi Securities, Inc. is structured to serve it’s clients honestly and in a forthright manner.
2. We are experts in our area of the bond market. We are not generalists. We have an obligation to our clients to remain experts. There is an ongoing educational and learning process in place at Bernardi. The process is continuous, thorough and demands a great deal from our employees.
3. Our clients measure us in terms of speed and quality of service. We are organized to deliver superior service to our clients and we have state-of-the-art equipment and programs to provide quality service on a daily basis.
4. Clear and timely communication with our clients is a paramount obligation for all of our employees. We pay great attention to this matter.
5. Superior performance. This is what sets us apart from the pack. We work long and hard to attain this goal for our clients.
6. As a trusted advisor and expert only in a small part of the financial arena, we try to help in areas beyond our expertise. We do this by introducing you to experts in those fields where you need advice. We have worked diligently over the years to develop relationships with experts in various fields. Experts who know their business and whom we trust.

We are about trust, service and performance. Thank you for believing in us. Thank you very much for all that you have done for us.

Sincerely,
Ronald P. Bernardi
President & CEO
December 2003