

Item 1 – Cover Page

Monroe Capital Management Advisors, LLC

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312-258-8300

www.monroecap.com

03/09/2012

This Brochure provides information about the qualifications and business practices of Monroe Capital Management Advisors, LLC. If you have any questions about the contents of this Brochure, please contact us at 312-258-8300 or info@monroecap.com. The information in the Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Registration of an investment advisor does not imply any level of skill or training.

Additional information about Monroe Capital Management Advisors also is available on the SEC’s website at www.advisorinfo.sec.gov.

Item 2 – Summary of Material Changes

Monroe Capital Management Advisors, LLC is an investment advisor newly-registered as such with the SEC. This brochure (the “Brochure”) dated March 9, 2012 is a new document prepared according to the SEC’s requirements and rules.

In the future, Item 2 will discuss only specific material changes that are made to the Brochure and will provide clients with a summary of such changes. We also will reference the date of our last annual update of our Brochure. Pursuant to SEC rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business’s fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

This document should be reviewed in its entirety.

A copy of our Brochure may be requested by contacting us at info@monroecap.com

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Item 4 – Advisory Business

Monroe Capital Management Advisors, LLC (the “Advisor”, “Firm”, “we”, “us” or “our”) is a Delaware limited liability corporation with its principal place of business in Chicago, Illinois. We serve as an investment advisor to a private investment fund and a separately managed account (together, the Fund and separately managed account shall be referred to herein as “clients” or, individually, as a “client”). We provide discretionary investment management services to the Fund and non-discretionary investment consulting services to the separately managed account. We were founded in 2006 and commenced investment advisory operations in that same year. Our principal owner and founder is Theodore L. Koenig.

The primary Fund we advise is a private investment fund and was offered and sold to investors under exemptions from applicable securities laws. Currently, the Fund we advise is comprised of one (1) private investment fund structure commonly referred to as a CLO.

We may adopt restrictions on the type of investments and exposures that we will make in a particular Fund, which are set forth in the offering documents and organizational documents of the Fund (the “Offering Documents”). The investment advice we provide to the Fund is dependent on the investment objectives of the respective Fund as set forth in the Fund’s governing documents. Such investment advice is not based upon the individual needs of the investors in the Fund. The information in this Brochure that describes or relates to the Fund is qualified in its entirety by the Offering Documents for the Fund. This Brochure is not a substitute for the Offering Documents and should not be treated as such.

We also may provide investment services to clients through separately managed accounts. When providing investment services to separately managed accounts, we generally tailor our advisory services to the individual needs of such clients, including any specific guidelines or restrictions as such clients may request.

In the future, we may provide investment advisory services to additional private investment funds as well as other types of clients.

Please see Item 8 – “Methods of Analysis, Investment Strategies and Risk of Loss” for a more detailed discussion of our investment objective and strategies.

As of March 9, 2012, we manage client assets of \$411 million on a discretionary basis and \$15 million on a non-discretionary basis.

Item 5 – Fees and Compensation

We have a general fee schedule applicable to our clients or prospective clients. The specific fees we charge to the Fund are described in the Offering Documents of the Fund. The management fees are paid on a quarterly basis, for the costs of the investment advisory and administrative services we provide to the Fund. Fees are generally calculated and paid quarterly. We may also receive performance fees, in the future, based on a formula more fully described in the Offering Documents of the Fund.

The fees we charge clients with separately managed accounts are negotiated with each client, and may include a management fee, performance fee, or a combination of both. Fees charged to separately managed accounts are billed to the client and we do not have the ability to deduct the fees from such client's account.

Item 6 – Performance-Based Fees

A description of our fees, including a description of performance-based fees or allocations, is provided above in "Item 5 – Fees and Compensation."

Item 7 – Types of Clients

We serve as an investment advisor primarily to the Fund.

Investors in the Fund must generally be "accredited investors" (as defined in Regulation D under the Securities Act of 1933, as amended) and "qualified purchasers" (as defined in the Investment Company Act). As such, the Fund we manage is exempt from registration as investment companies under the Investment Company Act through the exemption provided by Section 3 (c)(7) of the Investment Company Act. Each Fund imposes minimum investment limits upon investors in the Fund (such limits can be found in the relevant Fund Offering Documents and must be a minimum of \$100,000).

We also provide non-discretionary investment advisory services to a client through a separately managed account. These clients are generally expected to be "qualified institutional buyers" within the meaning of Rule 144A under the Securities Act of 1933, as amended, and at a minimum would meet the suitability requirements, discussed above, for investing in a Fund.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss Investment Objective and Investment Strategies

We generally seek to provide clients with consistently superior risk-adjusted rates of return through implementing detailed credit analysis.

In managing the Fund's portfolio, we rely upon fundamental analysis supplemented by quantitative analytics and portfolio management techniques. We generally purchase bank loan participations and other instruments. We invest primarily in United States issuers.

Our investment strategy and techniques are speculative, leveraged, involve a high degree of risk, and are suitable only for persons who are able to assume the risk of losing their entire investment. Please consider the risks summarized below.

Risk Factors – The following are some of the more significant risk factors we face and are not all inclusive.

Investment Approach and Strategies. Risk is inherent in all investing. No guarantee or representation is made that the investment approach we utilize will be successful. All investments risk the loss of capital. As is true of any investment, there is a risk that an investment will be lost entirely or in part. There can be no assurance that the specific investment strategies we use will produce profitable results. Markets

subject to random price fluctuations, rather than rational decisions, may generate a series of losing investments. There have been periods in the past when the markets have been subject to irrational price movements, and such periods may recur. No assurance can be given that our techniques and strategies will be profitable in the future.

Reliance on Corporate Management and Financial Reporting. The strategies we implemented rely on the financial information made available by issuers in which we invest. We have no ability to independently verify the financial information disseminated by the issuers and are dependent upon the integrity of both the management of these issuers and the financial report process in general. Recent events have demonstrated the material losses that investors such as the clients can incur as a result of corporate mismanagement, fraud and accounting irregularities.

Importance of Market Judgment. Our strategies rely on the market judgment and the exercise of discretion by our personnel.

Competition: Potential Saturation. We compete with numerous other investors, many of which have resources substantially greater than ours.

Volatility of Securities Markets. Securities prices may be volatile, and securities price movements are influenced by many unpredictable factors, such as market sentiment, inflation rates, interest rate movements and general economic and political conditions.

Bank Loans. We invest in loans and loan participations originated by banks and other financial institutions. These investments may include highly leveraged loans to borrowers whose credit is rated below investment grade. Such loans are typically private corporate loans that are negotiated by one or more commercial banks or financial institutions and syndicated among a group of commercial banks and financial institutions. In order to induce the lenders to extend credit and to offer a favorable interest rate, the borrower often provides the lenders with extensive information about its business that is not generally available to the public. To the extent that we obtain such information and it is material and nonpublic, we will be unable to trade in the securities of the borrower until the information is disclosed to the public or otherwise ceases to be material, nonpublic information.

Fraudulent Conveyance Considerations. Various laws enacted for the protection of creditors may apply to certain investments that are debt obligations, although the existence and applicability of such laws will vary from jurisdiction to jurisdiction. For example, if a court were to find that the borrower did not receive fair consideration or reasonably equivalent value for incurring indebtedness evidenced by an investment and the grant of any security interest or other lien securing such investment, and, after giving effect to such indebtedness, the borrower (i) was insolvent, (ii) was engaged in a business for which the assets remaining in such borrower constituted unreasonably small capital or (iii) intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature, such court could invalidate such indebtedness and such security interest or other lien as fraudulent conveyances, subordinate such indebtedness to existing or future creditors of the borrower or recover amounts previously paid by the borrower in satisfaction of such indebtedness or proceeds of such security interest or other lien previously applied in satisfaction of such indebtedness. In addition, if an

issuer in which a client has an investment becomes insolvent, any payment made on such investment may be subject to avoidance as a “preference” if made within a certain period of time (which may be as long as one year) before insolvency.

In general, if payments on an investment are avoidable, whether as fraudulent conveyances or preferences, such payments can be recaptured either from the initial recipient or from subsequent transferees of such payments. To the extent that any such payments are recaptured from a client, the client will bear the resulting loss.

Item 9 – Disciplinary Information

We do not have any material legal or disciplinary events to report.

Item 10 – Other Financial Industry Activities and Affiliations

We are not affiliated with any banks, broker-dealers or custodians. We serve as an investment advisor to the Fund, which is described in Item 1, above, and to a third-party institutional account.

Item 11 – Code of Ethics

We have adopted a Code of Ethics (the “Code”) for all of our employees, officers and directors. The Code describes our high standard of business conduct and fiduciary duty to our clients and reflects our policy to maintain the highest standards of service for our clients. The Code includes provisions regarding the confidentiality of investors and other client information, policies relating to communications with the media, how we address conflicts of interest, policies governing personal trading by our employees and prohibitions on insider trading, among other things.

Our employees, officers and directors are required to follow the Code. Our employees are allowed to make personal investments provided that they do so in accordance with the Code. The Code is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of the clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code, many transactions require pre-clearance and further, our employees are prohibited from trading in securities when we are trading or considering a trade for our clients in the securities. Also, we maintain a restricted list of companies about which we have received, or anticipate receiving, confidential or material non-public information. Certain classes of securities, however, have been designated as “exempt transactions”, based upon a determination that these would not materially interfere with the best interests of our clients and do not require pre-clearance.

To ensure compliance with the Code, employee account statements are reviewed on a periodic basis and our compliance department confirms that necessary pre-approvals have been obtained and that personal trades have been effected in compliance with the Code. Our compliance department also reviews such information on an annual basis and tests samples of personal trading filings against monthly information on an annual basis and tests samples of personal trading filings against monthly information submitted by brokers and advisors. In addition to such review by our compliance department, all employees, officers and directors are required to acknowledge the terms of the Code annually and certify their compliance with the Code throughout the previous year.

We anticipate that, in appropriate circumstances, consistent with our investment objectives, we will cause accounts over which we have management authority to effect, and will recommend, the purchase or sale of securities in which we, our affiliates and/or other clients, directly or indirectly, have a position of interest. In such circumstances, the client accounts will share commission costs equally and receive securities at a total average price. We will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a *pro rata* basis to the extent reasonably practicable. Any exceptions will be explained on the order.

Our clients or prospective clients may request a copy of the Firm's Code by contacting us at info@monroecap.com.

Item 12 – Brokerage Practices

The Firm does not typically select or recommend broker dealers for transactions or direct client transactions to particular broker dealers. The securities that the Firm's clients purchase are typically acquired through bank trading desks and the fees for such transactions are determined by industry standards in the bank loan market.

Item 13 – Review of Accounts

The Firm periodically reviews its client's holdings. The Firm communicates via email regarding client holdings on a monthly basis.

Item 14 – Client Referrals and Other Compensation

The Firm does not solicit client referrals and does not compensate anyone who is not supervised by the Firm for securing a client relationship.

Item 15 – Custody

The Firm does not maintain custody of client funds or securities. A third-party custodian maintains custody of client funds and securities.

Item 16 – Investment Discretion

We exercise full investment discretion over the Fund. We receive discretionary authority, in writing, from an investor at the outset of an advisory relationship. The Fund establishes authority through the investment management agreement that we enter into with the approval of the Fund's Board of Directors. Such discretion is exercised in a manner consistent with the stated investment objectives and guidelines for the account.

Item 17 – Voting Client Securities

The Advisor does not have the authority to vote client securities in corporate matters since the Fund does not invest in equity securities.

Item 18 – Financial Information

Registered investment advisors are required in this Item to provide you with certain financial information or disclosures about our financial condition. We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to our clients, and have not been the subject of a bankruptcy proceeding.

Item 19 – Requirements for State Registered Advisors – not applicable

Part 2B of Form ADV: Brochure Supplement

Item 1- Cover Page Part 2B of Form ADV: Brochure Supplement



Monroe Capital

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Chicago, IL 60606

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- Theodore L. Koenig – Managing Member, President and Chief Executive Officer
- Michael J. Egan – Chief Credit and Operating Officer
- Jeremy T. VanDerMeid – Senior Vice President

This Brochure Supplement provides information on our personnel listed above and supplements Monroe Capital Management Advisors, LLC Brochure. You should have received a copy of the Brochure.

If you have not received our firm's Brochure or have any questions about the contents of this supplement, please contact us at 312-258-8300.

Additional information about our personnel is available on the SEC's website at www.adviseinfo.sec.gov.

Theodore L. Koenig

President

Chief Executive Officer

Item 2- Educational Background and Business Experience

Year of Birth: 1958

Education:

- Chicago-Kent College of Law – Illinois Institute of Technology, Chicago, IL
Juris Doctor with Honors, 1983
- Indiana University – Kelley School of Business, Bloomington, IN
Bachelor of Science in Accounting, with High Honors, 1980
Certified Public Accountants Certificate, 1980

Business Background:

- Monroe Capital Management Advisors, LLC 2004 - Present, Managing Member, President,
and Chief Executive Officer
- Hilco Capital LP 1999 - 2004, President and Chief Executive Officer
- Holleb & Coff 1986 - 1999, Senior Partner

Item 3 – Disciplinary Information

Theodore L. Koenig has never had any disciplinary disclosures reported.

Item 4 – Other Business Activities

Theodore L. Koenig is currently not actively engaged in any other investment related business or occupation.

Item 5 – Additional Compensation

Theodore L. Koenig receives compensation for providing advisory services primarily from his responsibilities at Monroe Capital Management Advisors LLC and from no other source.

Item 6 – Supervision

Theodore L. Koenig is the Managing Member, President and Chief Executive Officer of Monroe Capital Management Advisors LLC as disclosed on the cover page. You may contact the Managing Member at 312-258-8300. All investment decisions must be unanimously approved by Messrs. Koenig, Egan and VanDerMeid.

Michael J. Egan

Chief Credit Officer

Chief Operating Officer

Item 2- Educational Background and Business Experience

Year of Birth: 1962

Education:

- Ithaca College – Ithaca, NY
Bachelor of Science in Business Administration, 1984
- American Bankers Association – National Commercial Lending School
University of Oklahoma, 1987

Business Background:

- Monroe Capital Management Advisors, LLC 2005 - Present, Chief Credit and Operating Officer
- Hilco Capital LP 1999 - 2005, Chief Credit and Operating Officer
- CIT Group 1989 - 1999, Senior Vice President, Regional Manager

Item 3 – Disciplinary Information

Michael J. Egan has never had any disciplinary disclosures reported.

Item 4 – Other Business Activities

Michael J. Egan is currently not actively engaged in any other investment related business or occupation.

Item 5 – Additional Compensation

Michael J. Egan receives compensation for providing advisory services primarily from his responsibilities at Monroe Capital Management Advisors LLC and from no other source.

Item 6 – Supervision

Michael J. Egan reports directly to Theodore L. Koenig of Monroe Capital Management Advisors LLC as disclosed on the cover page. You may contact the Managing Member at 312-258-8300. All investment decisions must be unanimously approved by Messrs. Koenig, Egan and VanDerMeid.

Jeremy T. VanDerMeid
Senior Vice President

Item 2- Educational Background and Business Experience

Year of Birth: 1976

Education:

- Northwestern University – Kellogg School of Management, Chicago, IL
Masters of Business Administration, 2006
- University of Michigan – Ross School of Business, Ann Arbor, MI
Bachelor of Business Administration, 1998, Cum Laude

Business Background:

- Monroe Capital Management Advisors, LLC 2007 - Present, Senior Vice President
- Morgan Stanley Investment 2005 - 2007, Vice President
- Dymas Capital Management 2002 - 2005, Assistant Vice President

Item 3 – Disciplinary Information

Jeremy T. VanDerMeid has never had any disciplinary disclosures reported.

Item 4 – Other Business Activities

Jeremy T. VanDerMeid is currently not actively engaged in any other investment related business or occupation.

Item 5 – Additional Compensation

Jeremy T. VanDerMeid receives compensation for providing advisory services primarily from his responsibilities at Monroe Capital Management Advisors LLC and from no other source.

Item 6 – Supervision

Jeremy T. VanDerMeid reports directly to Theodore L. Koenig of Monroe Capital Management Advisors LLC as disclosed on the cover page. You may contact the Managing Member at 312-258-8300. All investment decisions must be unanimously approved by Messrs. Koenig, Egan and VanDerMeid.