

Item 1: Cover Page



Monaco Capital Management, LLC

Form ADV Part 2A Investment Advisor Brochure

448 Viking Drive, Suite 230
Virginia Beach, VA 23452
(757) 333-7676 (Phone)
(757) 333-7677 (Fax)
www.monacocapital.com

April 2020

Firm Contact: Dr. Joseph A. Monaco

This Brochure provides information about the qualifications and business practices of Monaco Capital Management, LLC. If you have any questions about the contents of this brochure, please contact us at (757) 333-7676 and/or andrea@monacocapital.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any State securities authority.

Additional information about Monaco Capital Management, LLC also is available on the SEC's website at <https://adviserinfo.sec.gov/Firm/130174>.

Please note that use of the term "registered investment advisor" and a description of Monaco Capital Management, LLC and/or our associates as "registered" does not imply a certain level of skill or training. You are encouraged to review this Brochure and a Brochure Supplement for each of the Firm's associates who advises you for more information on the qualifications of the Firm and our associates and employees.

Item 2: Summary of Material Changes

Annual Update

In this Item of Monaco Capital Management, LLC (The Firm) Form ADV 2, the Firm is required to discuss any material changes that have been made to Form ADV since the last Annual Amendment, dated March 6, 2020.

Material Changes since the Last Update

Since the last ADV Annual Amendment filing, the Firm has the following material changes to report:

- The Firm's assets under management have exceeded \$100,000,000 and the Firm has registered with the Securities and Exchange Commission.

Full Brochure Available

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at: (757)-333-7676 or by email at: andrea@monacocapital.com.

Additional information about the Firm is also available via the SEC's web site www.adviserinfo.sec.gov. The SEC's web site also provides information about any persons affiliated with the Firm who are registered, or are required to be registered, as investment adviser representatives.

Item 3: Table of Contents

Item 1: Cover Page	1
Item 2: Summary of Material Changes	2
Item 3: Table of Contents.....	3
Item 4: Advisory Business	4
Item 5: Fees and Compensation.....	7
Item 6: Performance-Based Fees and Side-by-Side Management	10
Item 7: Types of Clients.....	11
Item 8: Methods of Analysis, Investment Strategies, Risk of Loss.....	12
Item 9: Disciplinary Information	15
Item 10: Other Financial Industry Activities and Affiliations	16
Item 11: Code of Ethics, Participation or Interest in Client Transactions, Personal Trading....	17
Item 12: Brokerage Practices	19
Item 13: Review of Accounts.....	21
Item 14: Client Referrals and Other Compensation.....	22
Item 15: Custody	23
Item 16: Investment Discretion.....	24
Item 17: Voting Client Securities.....	25
Item 18: Financial Information.....	26
Form ADV Part 2B – Investment Adviser Brochure Supplement	27

Item 4: Advisory Business

Firm Description and Types of Advisory Services

Monaco Capital Management (the “Firm,” “we,” “us,” or “our”) is an Investment Advisor providing advice to individuals, pension and profit-sharing plans, trusts, estates and charitable organizations, corporations or other business entities. Monaco Capital Management was founded in 2003.

The Firm is solely owned by Dr. Joseph A. Monaco.

Asset Management Services

We provide continuous advice to clients regarding investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client’s particular circumstances are established, we develop a client’s personal investment policy and creates and manages a portfolio in accordance with that policy. Account supervision is guided by the stated objectives of the client (i.e., maximum capital appreciation, growth, income, growth and income, etc.).

We will create a portfolio consisting of one or all of the following: individual equities, bonds, no-load mutual funds, load-waived mutual funds, exchange traded funds or funds whose sales charge is waived and/or other investment products. We will allocate the client’s assets among various investments taking into consideration the overall management style selected by the client. Clients will have the opportunity to place reasonable restrictions on the types of investments which will be made on the client’s behalf. Clients will retain individual ownership of all securities.

Our services may be provided on a discretionary basis, meaning that we possess the discretion to buy and sell individual stocks, funds, bonds, and other investments. Each of our asset management services is briefly described below.

Financial Planning

We provide a variety of financial planning to individuals, families and other clients based upon an analysis of the client’s current situation, goals, and objectives. Our services may encompass one or more of the following: investment planning; retirement planning; estate planning; charitable planning; education planning; corporate and personal tax planning; corporate structure; real estate analysis; mortgage/debt analysis; insurance analysis; lines of credit evaluation; and business and personal financial planning.

Our written financial plans usually include general recommendations for a course of activity and may include specific actions to be taken by the clients. For example, we may advise clients to begin or revise investment programs, create or revise wills or trusts, obtain or revise insurance coverage, commence or alter retirement savings rates, or establish education or charitable giving programs. Specific areas of consideration may include some or all of the following items:

- **Personal**: Family records, budgeting, personal liability, estate information and financial goals.
- **Education**: Education IRAs, financial aid, state savings plans (529 plans), grants and general assistance in preparing to meet dependents continuing educational needs through development of an education plan.
- **Tax Cash Flow**: Income tax and spending analysis and planning for past, current and future years. Monaco Capital Management will illustrate the impact of various investments on a client's current income tax and future tax liability.
- **Death and Disability**: Cash needs at death, income needs of surviving dependents, estate planning and disability income analysis.
- **Retirement**: Analysis of current strategies and investment plans to help the client achieve his or her retirement goals.
- **Investments**: Analysis of investment alternatives and their effect on a client's portfolio.
- **Estate**: Living trusts, wills, review estate tax, powers of attorney, asset protection plans, nursing homes, Medicaid and elder law.
- **Insurance**: Review of existing policies to ensure proper coverage for life, health, disability, long term care, liability, home and automobile.

We gather the pertinent information through in-depth personal interviews. Information gathered includes a client's current financial status, future goals and attitudes towards risk. Related documents may include a questionnaire completed by the client. The questionnaire and information supplied by the client are carefully reviewed, and a written report is then prepared. If a client chooses to implement the recommendations contained in the plan, we suggest the client work closely with his/her attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion.

Once a financial plan is developed and agreed to by the client, we utilize the document as a basis to create individual investment portfolios, which may consist of individual stocks or bonds, mutual funds and other public and private securities or investments. Each client's portfolio is tailored to an individual investment strategy and to specific goals and objectives and may include some or all of the previously mentioned securities. Once the appropriate portfolio has been determined, we review the portfolio at least annually and, as necessary, we rebalance the portfolio based upon the client's needs and stated goals and objectives. We may exercise discretion over the investment of the portfolio, or a portfolio may be maintained on a nondiscretionary basis. When granted discretionary authority, we will direct the investment and reinvestment of the assets in the client account(s) in securities and/or cash or cash equivalents. Alternatively, we may be granted non-discretionary authority, obtaining client consent prior to placing investment transactions on behalf of the client.

Consulting

We also offer investment advice on a more limited basis, outside of a formal financial planning agreement. This may include advice on only an isolated area(s) of concern such as estate planning, retirement planning, reviewing a client's existing portfolio, or any other specific topic. Additionally, we may provide advice on non-securities matters; generally, in connection with the rendering of estate planning, insurance, and/or annuity advice.

Tax Preparation

On a limited basis, we prepare individual, trust, estate and business tax returns.

Tailored Relationships

We tailor advisory services to the individual needs of each client. To a certain extent, clients are allowed to impose restrictions on the investments in their account. If we manage a client's portfolio, we permit a client to impose restrictions on the types of investments that are acquired or held. These restrictions must be reasonable and practicable and permit us to manage the account without undue difficulty. All noted restrictions must be provided us in writing. If we do not directly manage a client's portfolio, such as when a third-party manager is designated, individually imposed restrictions on investments are generally not permitted.

The Firm and our employees act as fiduciaries who take into consideration the best interests of our clients. When dealing with our clients, we act with competence, dignity, integrity and in an ethical manner. We use reasonable care and exercise independent professional judgement when conducting investment analysis, making investment recommendations, trading, promoting our services, and engaging in other professional activities. As a fiduciary, we have an obligation to deal fairly with our clients, including the following responsibilities:

- To render impartial advice;
- To make appropriate recommendations based on a client's needs, financial circumstances and investment objectives;
- To exercise a high degree of care and diligence to ensure that information is presented in an accurate manner and not in a way to mislead;
- To have reasonable basis, information, and understanding of the facts in order to provide appropriate recommendations and representations;
- To disclose any material conflict of interest in writing; and
- To treat clients fairly and equitably.

Wrap Fee Program

Monaco Capital Management does not participate in a Wrap Fee Program.

Assets Under Management

As of March 31, 2020, we manage advisory accounts totaling \$119,135,957, on a discretionary basis.

Item 5: Fees and Compensation

Compensation

Clients may pay fees based on a percentage of their assets under management or hourly charges or fixed fees (not including subscription fees).

Compensation - Asset Management Fees

For our asset management services, clients pay fees based on a percentage of their assets under management, by household. The maximum fee schedules are below.

PERCENTAGE OF ASSETS UNDER MANAGEMENT*	
Household Assets Under Management	Tiered Annual Fee
\$0 to \$500,000	2.50%
Next \$500,000	1.50%
Next \$4,000,000	1.00%
Above \$5,000,000	0.75%

Fees are billed quarterly in advance, based on the value of each client's household assets, including cash, on the last day of the previous quarter. The initial quarter's fees are prorated based upon the number of days the assets are managed by us.

The Client Agreement may be terminated by the Client or the Firm at any time upon providing notice pursuant to the provisions of the Client Agreement. In the event of termination of the Agreement, the Firm will not refund any portion of the fee for the quarter of termination.

Compensation – Financial Planning and Consulting

Financial Planning and Consulting fees will be charged in one of two ways:

- As a fixed fee, typically ranging from \$1,000 to \$5,000, depending on the nature and complexity of each client's circumstances, or
- On an hourly basis of \$250 per hour.

All financial planning and consulting fees are typically invoiced and due in arrears (unless advance agreement is made with the client), upon presentation of the financial plan or completion of the consulting engagement for the client. Services rendered and the fees charged are disclosed in each Investment Advisory Consulting Agreement. Financial planning and consulting fees are negotiable.

Compensation – Tax Preparation

Tax preparation work performed separately from an Advisory Service Agreement is billed at a rate of \$300 per hour. Minimum fee for tax preparation is \$300. We reserve the right to discount the fee for tax preparation services.

Other Fees

For asset management services provided by us, clients should expect to pay some, or all of the following additional expenses charged by third parties:

- Custodial and similar fees and costs customarily associated with the maintenance of a custody or brokerage account.
- Internal expenses associated with products such as mutual funds and ETFs, including investment management and 12b-1 fees. These internal expenses are typically calculated as a percentage of the fund's assets under management. Some of these fees are retained by the product issuers, and some are paid to third parties, such as a custodian, for services including the maintenance of shareholder accounts and the distribution of prospectuses and similar items. More information about specific expenses charged by a fund or ETF may be found in the applicable prospectus. Because these expenses are directly deducted from a fund's assets, they have the effect of reducing the performance of the investment.
- Products, primarily mutual funds, may have multiple share classes, each class with different fee and compensation structures, which may include deferred sales charges. Charges for internal expenses may also differ among share classes, including investment management fees and 12b-1 fees. Mutual fund shares may be subject to these fees and expenses, and we may acquire shares other than those designated specifically for advisory or institutional accounts. Lower cost share classes for the same mutual fund may be available through another arrangement.
- Other types of charges and expenses may be incurred, including mark-ups and mark-downs, odd-lot differentials, spreads paid to market makers from whom securities where are obtained, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage and securities transactions.

Fees and Expenses (Mutual Funds Share Class)

Funds generally offer multiple share classes available for investment based upon certain eligibility and/or purchase requirements. For instance, in addition to retail share classes (typically referred to as class A, class B and class C shares), funds may also offer institutional share classes or other share classes that are specifically designed for purchase by investors who meet certain specified eligibility criteria, including, for example, whether an account meets certain minimum dollar amount thresholds or is enrolled in an eligible fee-based investment advisory program. Institutional share classes usually have a lower expense ratio than other share classes.

The appropriateness of a particular fund share class selection is dependent upon a range of different considerations, including but not limited to: the asset-based advisory fee that is charged, whether transaction charges are applied to the purchase or sale of funds, operational considerations associated with accessing or offering particular share classes (including the presence of selling agreements with the fund sponsors and the Firm's ability to access particular share classes through the custodian), share class eligibility requirements; and the

availability of revenue sharing, distribution fees, shareholder servicing fees or other compensation associated with offering a particular class of shares.

Such charges, fees and commissions are exclusive of and in addition to the Firm's fee, and the Firm shall not receive any portion of these commissions, fees, and costs, except as/where noted above in Item 5.

General Information on Compensation

In certain circumstances, fees, account minimums and payment terms are negotiable depending on client's unique situation – such as the size of the aggregate related party portfolio size, family holdings, low cost basis securities, or certain passively advised investments and pre-existing relationships with clients. Certain clients may pay more or less than others depending on the amount of assets, type of portfolio, or the time involved, the degree of responsibility assumed, complexity of the engagement, special skills needed to solve problems, the application of experience and knowledge of the client's situation. In addition to our investment advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s).

All fees paid to the Firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and variable annuity sub-accounts to their shareholders. These fees and expenses are described in each fund's or sub account's prospectus. These fees will generally include a management fee, other expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge.

Clients should note that similar advisory services may (or may not) be available from other registered investment advisers for similar or lower fees.

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

“Performance-based fees” are fees based on the capital gains or capital appreciation in an account. We do not charge performance-based fees.

“Side-by-side management” refers to the practice of managing both accounts that are charged a performance-based fee and accounts that are charged other types of fees, such as asset-based fees and hourly fees. Because we do not charge performance-based fees, we do not engage in side-by-side management.

Item 7: Types of Clients

Types of Clients

We provide investment advice to individuals, high net worth individuals, and charitable organizations.

Account Minimums

We require a minimum account of \$100,000 for Investment Management clients, although this may be negotiable under certain circumstances. We may group certain related client accounts for the purposes of achieving the minimum account size.

We maintain the discretion to waive the account minimum. Accounts of less than \$100,000 may be accepted when the client and Firm anticipate the client will add additional funds to the accounts bringing the total to \$100,000 within a reasonable time. Other exceptions will apply to employees of the Firm, their relatives, or relatives and/or friends of existing clients. Other exceptions may apply at our discretion.

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

Methods of Analysis

Methods of security analysis used by the Firm and its associates may include either fundamental analysis, technical analysis or both.

Fundamental analysis involves analyzing a company's financial statements and health, its management and competitive advantages, and its competitors and markets. When analyzing a stock using fundamental analysis there are two basic approaches one can use; growth or value.

Growth analysis projects future growth of earnings and assets, and then discounts those future projections to today's value. Discounting future earnings and assets into today's value would be done by factoring a projected inflation rate and coupling that with a confidence rating in those projections (known as a risk premium).

Value analysis seeks to determine today's value of a company by summing up the total value of the company's assets. This involves more than just using the published "Book Value" of a company as companies use their purchase price minus accumulated depreciation to value their assets. Those assets may have actually appreciated in value since purchase or depreciated at a faster rate than at what was the depreciation schedule. Book value also does not distinguish intellectual assets. For example, having a Nobel Prize awarded scientist is a valuable asset for a company in reality, but is not listed as an asset on the company's books.

Technical analysis is a discipline that forecasts future price movements of a security or commodity by charting past price movements. The theory of technical analysis is founded on the precept that securities and commodities trade in various patterns and that these patterns tend to repeat themselves. If one can recognize the current pattern in which an asset is currently trading, then one can forecast its future movements using that past pattern as a model.

The greatest material risk to both is that past performance and experience does not guarantee future results. Investments may appear sound using either or both forms of analysis, and still underperform or decline in value over time. Other material risks include but may not be limited to: the use of information from sources we believe reliable but cannot be guaranteed as such, as well as unexpected political, economic and environmental events which may change the investment thesis before we have time to restructure clients' portfolios. We attempt to minimize these risks by diversifying portfolios among a number of investments in different categories, industries and countries.

Investment Strategies

We use strategies that are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, time horizons, investment restrictions, and other considerations. The client may change these objectives at any time.

The primary investment strategy used on client accounts is strategic asset allocation utilizing a core and satellite approach. This means that we use asset allocation funds as the core investments, and then add actively managed funds and individual stocks and or bonds where there are greater opportunities where the account manager deems appropriate. Portfolios are globally diversified to control the risk associated with traditional markets.

We may use any of the following investment strategies to implement investment advice: Long-term purchases (securities held at least a year); Short-term purchases (securities sold within a year); active trading (securities sold within 30 days); short sales; margin transactions; and option writing, including covered options, or spread strategies.

We reserve the right to advise clients on any other type of investment that we deem appropriate based on the client's stated goals and objectives and we may also provide advice on any type of investment held in a client's portfolio at the inception of the advisory relationship or on any investment on which the client requests advice.

Risk of Loss

All investments involve the risk of loss, including (among other things) loss of principal, a reduction in earnings (including interest, dividends and other distributions), and the loss of future earnings. Although we manage the assets in a manner consistent with risk tolerances, there can be no guarantee that our efforts will be successful. The investor should be prepared to bear the following investment risks of loss:

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar next year will not buy as much as a dollar today, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding

oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties (i.e. Non-traded REITs and other alternative investments) are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

It is not possible to list all risks associated with each class of securities or assets or each market sector. Clients should consult their Investment Adviser Representative for more information about specific risks that may be associated with the adviser's investment strategy.

Initial Public Offerings

We typically do not participate on behalf of its clients in initial public offerings.

Item 9: Disciplinary Information

We are required to disclose legal or disciplinary events that would be material to a client's evaluation of our ability to provide investment advisory services.

Neither the Firm nor our Management Persons have been involved in any legal or disciplinary events related to past or present matters.

Item 10: Other Financial Industry Activities and Affiliations

Broker/Dealer, Commodities and Other

None of our employees are registered representatives of a broker-dealer and we are not registered as a broker-dealer, have an application pending to register as a broker-dealer, or have any other affiliation with a broker-dealer.

Neither we nor any of our employees is currently or has an application pending to register as a futures commission merchant, commodity pool operator, or commodity trading advisor.

Insurance Company or Agency

Our Investment Adviser Representatives may be appointed with several insurance companies and may be able to receive separate compensation for transactions implemented through various insurance companies. Clients are not obligated to use any company for insurance product purchases, and may work with any insurance agent they choose, inclusive of those not affiliated with us. Insurance compensation will be separate and distinct from financial planning fees charged by us

We do not recommend or select other investment advisors for its clients.

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

Code of Ethics

We have a duty to exercise our authority and responsibility for the benefit of our clients, to place the interests of our clients first, and to refrain from having outside interests that conflict with the interests of our clients. We and our employees avoid any circumstances that might adversely affect, or appear to affect, our duty of loyalty. We have adopted a Code of Ethics (the Code); the Code's key provisions include:

- Statement of general principles;
- Policy on and reporting of personal securities transactions;
- A prohibition on insider trading;
- Restrictions on the acceptance of significant gifts;
- Procedures to detect and deter misconduct and violations; and
- Requirement to maintain confidentiality of client information.

Our employees must acknowledge the terms of the Code at least annually. Any individual not in compliance with the Code may be subject to termination. We will provide a copy of our Code upon request. Clients and prospective clients can obtain a copy of our Code of Ethics by contacting Dr. Joseph A. Monaco, President and Chief Compliance Officer at (757) 333-7676.

Dr. Joseph A. Monaco, President and Chief Compliance Officer, reviews all employee trades each quarter. His trades are reviewed by Andrea L. McMurrin, Director of Operations of the Firm. These reviews ensure that personal trading does not affect the markets, and that clients of the Firm receive preferential treatment.

Participation or Interest in Client Transactions – Personal Securities Transactions

The Firm and its employees may buy or sell securities identical to those recommended to clients for their personal accounts. If these trades occur ahead of clients, they must execute at a less advantageous price than the client's price.

The Code of Ethics, described above, 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 clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of our clients. In addition, the Code requires pre-clearance of many transactions.

Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually

monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between the Firm and its clients.

Participation or Interest in Client Transactions

Neither we nor our employees recommend to clients or buy or sell for client accounts, securities in which they have a material financial interest.

Participation or Interest in Client Transactions – Principal/Agency Cross

We will not affect any principal or agency cross securities transactions for client accounts.

Participation or Interest in Client Transactions – Aggregation

Our policy is that any same day transactions will always result in our employees of either buying at the same or less advantageous price.

Our employees may trade in the same securities with client accounts on an aggregated basis when consistent with our obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. We will retain records of the trade order (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. Any exceptions will be explained on the order.

Item 12: Brokerage Practices

Research and Other Soft Dollar Benefits

We do not receive formal soft dollar benefits other than execution from broker/dealers in connection with client securities transactions. See disclosure below in “Directed Brokerage – Other Economic Benefits”.

Brokerage for Client Referrals

We do not receive client referrals from broker/dealers.

Directed Brokerage

We generally advise portfolios on a discretionary basis only. We retain the contractual right to choose which broker/dealer to use. However, we consult with the client before using any broker/dealer or changing any broker/dealer.

The factors considered in selecting brokers are as follows: philosophy in accordance with our philosophy regarding clients and investment advice, fees associated with the various types of portfolios, performance reporting capabilities, variety of portfolios available, trust service, and investment options.

While we may at times recommend brokers, the client may direct us in writing to use a particular broker/dealer to execute transactions for client’s portfolio, of which the client will negotiate terms and arrangements with that broker or dealer. We will not seek better execution services or prices from other brokers or dealers and as a result, client could pay higher commissions, other transaction costs, greater spreads, or receive less favorable net prices on transactions for client’s portfolio than would otherwise be the case.

Directed Brokerage – Other Economic Benefits

Brokers/Custodians may also provide general access to research and perhaps discounts on research products. Any research received is used for the benefit of all clients. We have no written or verbal arrangements whereby it receives soft dollars. From time to time, Brokers/Custodians may offer our employees the ability to attend industry-related conferences or other benefits; however, we do not believe that such incentives impair our independence.

We may have the opportunity to receive traditional “non-cash benefits” from Brokers/Custodians, such as customized statements; receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk servicing Raymond James advisors exclusively; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; ability to have investment advisory fees deducted directly from client accounts; access to an electronic communication network for client order entry and account information; access to mutual funds which generally require significantly high minimum initial investments or those that are

otherwise only generally available to institutional investors; reporting features; receipt of industry communications; and perhaps discounts on business-related products.

Brokers/Custodians may also provide general access to research and perhaps discounts on research products. Any research received is used for the benefit of all clients. While we endeavor at all times to put the interest of the clients first as part of its fiduciary duty, clients should be aware that the receipt of any additional compensation itself creates a conflict of interest and may affect the judgment of these individuals when making recommendations.

Trade Aggregation

We typically aggregate trades for multiple accounts. Orders for the same security entered on behalf of more than one client will generally be aggregated (i.e., blocked or bunched) subject to the aggregation being in the best interests of all participating clients. If the order is filled at different prices during the day, the prices are averaged for the day so that all participating accounts receive the same price. If an order has not been filled completely so that there are not enough shares to allocate among all the clients equally, shares will be allocated in good faith, based on the following considerations: amount of cash in the account, existing asset allocation and industry exposure, risk profile, and type of security. All clients participating in each aggregated order shall receive the average price and subject to minimum ticket charges, pay a pro-rata portion of commissions.

Our allocation procedure seeks to be fair and equitable to all clients with no particular group or client(s) being favored or disfavored over any other clients.

Accounts for the Firm or its employees may be included in a block trade with client accounts.

Item 13: Review of Accounts

Reviews

Our Investment Policy Committee is comprised of Dr. Joseph A. Monaco, President and Chief Compliance Officer. He is also the client account manager.

Dr. Monaco has the responsibility for communicating with the client, updating changes to the client's situation and regularly reviewing the client's portfolio including the asset allocation and the specific assets included in the account. The client review includes comparing the portfolio and current security positions with the goals and objectives as outlined by the client, reviewing changes to the client's investment circumstances, evaluating the specific holdings, re-balancing the portfolio and communicating the current status of the portfolio and any recommended actions to the client.

Our clients are individually invited four times per year to a formal portfolio review. Set attendance is at the discretion of the client. Dr. Monaco reviews each client's account at least monthly.

Review Triggers

Other conditions that may trigger a review are changes in market, political or economic conditions, tax laws, new investment information, and changes in a client's own situation.

Reporting

Each quarter (and sometimes each month, depending on the account activity), the custodian (RJFS and/or mutual fund or insurance/annuity company) provides clients with an account statement for each client account, which may include individual holdings, cost basis information, deposits and withdrawals, accrued income, dividends, and performance. In addition, the custodian provides clients with trade confirmations for each position bought and sold.

Financial Planning – Reviews and Reporting

The initial financial plan is included as a component of the financial planning service. Clients may receive updated financial plans for a separate fee.

Item 14: Client Referrals and Other Compensation

Other Compensation

We do not receive any economic benefits (other than normal compensation) from any firm or individual for providing investment advice.

Compensation – Client Referrals

We have been fortunate to receive many client referrals over the years; however, we do not compensate referring parties for these referrals, nor do we receive compensation for referrals to other professionals. Referrals have come from current clients, estate planning attorneys, accountants, employees, personal friends of employees and other similar sources.

Item 15: Custody

Custody – Fee Debiting

The client agreement authorizes us to deduct advisory fees directly from the client's account at the custodian. We send the amount of the quarterly fee to the custodian. With the exception of the ability to debit client accounts for advisory fees, we do not and will not have custody of clients' funds or securities. Client assets shall be held in the custody of a bank, trust company or brokerage firm agreed upon by the client and us.

The custodian is advised in writing of the limitation of our access to the account. The custodian sends a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of advisory fees paid directly to us.

Custody – First Party Money Transfers

Clients may provide us with written ongoing authorization to ACH money between the client's accounts held with the qualified custodian directly to an outside financial institution (i.e. a client's bank account). A copy of this authorization is provided to the qualified custodian. The authorization includes the client's account number(s) at the outside financial institution(s) as required.

Custody – Account Statements

As described above and in Item 13, clients receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. Clients are urged to carefully review such statements and compare such official custodial records to the reports that we provide. Our reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16: Investment Discretion

We are typically granted discretionary authority by a client at the outset of an investment advisory relationship to determine the identity and amount of securities to be bought or sold. Each client has a written Investment Agreement with us outlining the scope of our advisory relationship and discretion.

If we have not been given discretionary authority, we will consult with the client prior to each trade.

Item 17: Voting Client Securities

Proxy Voting – Firm does not vote

We do not and will not accept the proxy authority to vote securities. Therefore, our clients maintain exclusive responsibility for directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted and making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to the Firm, we forward them to our clients and request that further solicitations be sent directly to the client.

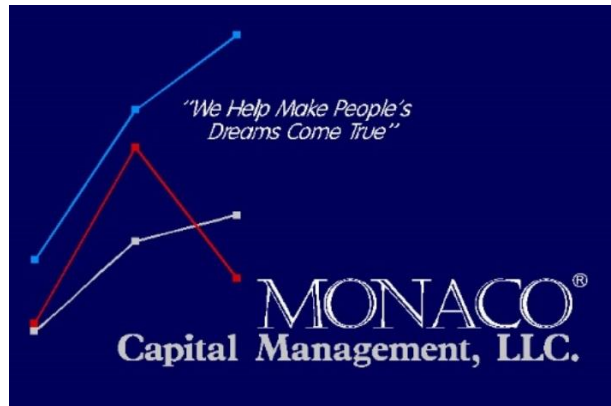
If requested, the Firm may provide advice to clients regarding proxy votes and legal proceedings. If any conflict of interest exists, it will be disclosed to the client. For more information about our proxy voting policies, please contact Dr. Joseph A. Monaco, President and Chief Compliance Officer at (757) 333-7676.

Item 18: Financial Information

Financial Condition

We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to clients and have not been the subject of a bankruptcy proceeding.

The Firm is not required to provide a balance sheet the Firm does not require prepayment of fees of more than \$500, per client, and six months or more in advance.



Monaco Capital Management, LLC

Form ADV Part 2B
Investment Advisor Brochure Supplement

448 Viking Drive, Suite 230
Virginia Beach, VA 23452
(757) 333-7676 (Phone)
(757) 333-7677 (Fax)
www.monacocapital.com

April 2020

Supervisor: Dr. Joseph A. Monaco

Supervised Persons: Andrea L. McMurrin and Connor D. Gannucci

This brochure supplement provides information about the Firm's Supervised Persons that supplements the Monaco Capital Management, LLC's brochure. You should have received a copy of that brochure. Please contact Dr. Joseph A. Monaco, President and Chief Compliance Officer if you did not receive Monaco Capital Management, LLC's brochure or if you have any questions about the contents of this supplement.

Additional information about the Firm's Supervised Persons is also available on the SEC's website at www.adviserinfo.sec.gov. You may search this site using a unique identifying number, known as a CRD number for each Supervised Person.

Educational Background and Business Experience

Monaco Capital Management requires that advisers in its employ have a bachelor's degree or comparable industry experience and/or other coursework demonstrating knowledge of financial planning and tax planning. Examples of acceptable coursework include: an MBA, a CFP®, a CFA, a ChFC, JD, CTFA, EA or CPA. Additionally, advisers must demonstrate an aptitude for financial planning and investment management.

Supervised Persons

Dr. Joseph A. Monaco

Born 1956

CRD # 1008223

Business Background:

Monaco Capital Management, LLC
President and Chief Compliance Officer

2003 – Present

Raymond James Financial Services, Inc.
Branch Office Manager and Registered Principal

2003 – 2019

UBS Financial Services, Inc.
Branch Office Manager and First VP of Investments

1991 – 2003

Prudential – Bache Securities, Inc.
Branch Manager and VP of Investments

1983 – 1991

E.F. Hutton & Co.
Account Executive

1981 – 1983

Formal Education after High School:

La Salle University
Ph.D. in Economics

Golden State University
MBA in Finance

St. Leo University
BA in Management

Professional Designations:

Registered Tax Return Preparer

Andrea L. McMurrin, CFP®

Born 1979

CRD # 2770740

Business Background:

Monaco Capital Management, LLC	
Investment Advisor Representative	2009 – Present
Director of Operations	2003 – Present
Raymond James Financial Services, Inc.	2003 – 2019
Registered Representative	
UBS Financial Services, Inc.	2000 – 2003
Investment Associate	

Formal Education after High School:

Old Dominion University
BS in Psychology, Minor in Business Administration

Old Dominion University
Professional Financial Planner Certification

Professional Designations:

CFP® - Certified Financial Planner Practitioner

Connor D. Gannucci

Born 1995

CRD # 6503421

Business Background:

Monaco Capital Management, LLC	
Investment Advisor Representative	2019 – Present
Client Service Specialist	2015 – Present
Raymond James Financial Services, Inc.	2019 – 2019
Registered Representative	

Formal Education after High School:

Old Dominion University
BA in Finance

Professional Certifications

Monaco Capital Management's supervised persons may maintain professional designations, which required the following minimum requirements:

CFP - Certified Financial Planner

Issued by: Certified Financial Planner Board of Standards, Inc.

Prerequisites/Experience Required: Candidate must meet the following requirements:

- A bachelor's degree (or higher) from an accredited college or university, and
- 3 years of full-time personal financial planning experience

Educational Requirements: Candidate must complete a CFP-board registered program, or hold one of the following:

- CPA
- ChFC
- Chartered Life Underwriter (CLU)
- CFA
- Ph.D. in business or economics
- Doctor of Business Administration
- Attorney's License

Examination Type: CFP Certification Examination

Continuing Education/Experience Requirements: 30 hours every 2-years

Disciplinary Information

Neither Monaco Capital Management nor any Supervised Persons have been involved in any activities resulting in a disciplinary disclosure.

Other Business Activities

Disclosure on Outside Business Activities is provided in Form ADV Part 2A Item 10 – Other Financial Industry Activities and Affiliations above.

Dr. Joseph A. Monaco is a licensed insurance agent. He is appointed with several insurance companies and will be able to receive separate compensation for transactions implemented through various insurance companies.

Dr. Joseph A. Monaco spends extensive time volunteering for various community, educational and religious organizations.

Andrea L. McMurrin spends extensive time volunteering for various community organizations. She serves on the board of Christopher Academy and is a sustaining member of the Portsmouth Service League.

Connor D. Gannucci is a member of the Rotary International and spends time volunteering for religious organizations.

Additional Compensation

No Supervised Person receives any significant economic benefit outside of regular salaries or bonuses related to amount of sales, client referrals or new accounts.

Supervision

Dr. Joseph A. Monaco supervises all persons named in this Form ADV Part 2 Investment Adviser Brochure Supplement. Dr. Joseph A. Monaco may be reached at (757) 333-7676.

Dr. Joseph A. Monaco makes it a regular practice to speak to all clients of supervised persons on a regular basis to ensure they're pleased with service. At a minimum, Dr. Joseph Monaco reviews quarterly both the financial plans and the personal and financial status of the clients of Monaco Capital Management. He also regularly reviews emails (daily) and personal trading (quarterly).

All supervised persons are in the same location. Regular staff meetings are conducted on a weekly basis.

Requirements for State Registered Advisers

Information on Disciplinary History is disclosed above and in Form ADV Part 2A – Item 9. No Supervised Person has been the subject of a bankruptcy petition.