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March 29, 2023

This Brochure provides information about the qualifications and business practices of Monarch Partners Asset Management LLC. If you have any questions about the contents of this Brochure, please contact us at 617-419-2215 or schongyi@monarchpartners.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Monarch Partners Asset Management LLC is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provides you with information about which you determine to hire or retain an Adviser.

Additional information about Monarch Partners Asset Management LLC ("Monarch Partners") also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

This Brochure dated March 29, 2023, replaces our most recent amendment, dated March 29, 2022.

The material updates since our last annual amendment, dated March 29, 2022, are as follows:

Item 4: Updated to reflect assets under management as of 12/31/2022.

You will receive a summary of any material change to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may provide other ongoing disclosure information about material changes, as necessary.

We will further provide you with a new Brochure, as needed, based on changes or new information, at any time, without charge.

Currently, our Brochure, which is available free of charge, may be requested by contacting us at (617) 419-2215 or by emailing So Chong Yi at schongyi@monarchpartners.com.

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Item 4 – Advisory Business

4. A. Advisory Firm Description

Monarch Partners Asset Management LLC (“Monarch Partners”) was established in 2010 and is an investment adviser offering discretionary investment management services to Institutions. Monarch Partners is a 100% employee owned firm, with Wayne J. Archambo, CFA being the principal owner.

4. B. Types of Advisory Services

Monarch Partners provides discretionary and non-discretionary investment advisory services. Monarch Partners manages these discretionary and non-discretionary assets in Small Cap Value Equity, SMID Cap Value Select Equity and Micro Cap Value strategies. Monarch Partners also manages customized concentrated portfolios for some clients, upon request.

Our clients include corporations, public pension funds, trusts, and charitable organizations. Monarch Partners, depending upon the engagement, offers its services on a fee basis based upon assets under management. Prior to engaging Monarch Partners to provide investment advisory services, the client will be required to enter into one or more written agreements with Monarch Partners setting forth the terms and conditions under which Monarch Partners shall render its services (collectively the “Agreement”).

Monarch Partners also acts as sub-adviser to collective investment trusts, which are exempt from registration under the Investment Company Act of 1940. The portfolios sub-advised in these collective trusts mirror the other strategies offered by Monarch Partners.

Monarch Partners may also provide non-discretionary investment advisory service in the form of model portfolios for registered investment companies (collectively, “Funds”). The model portfolios represent Monarch Partners’ recommendations as to the composition of the Funds. Monarch Partners only provides the recommendations to these Funds and does not manage them directly. Monarch Partners does not have any contact with the underlying clients using the model portfolio. The models are provided at a specified time each week and therefore, Monarch Partners acknowledges that these portfolios may differ in performance from those clients that are directly managed by Monarch Partners.

Monarch Partners only invests in equities and its investment advice is limited to these types of investment advisory services.

4. C. Client Investment Objectives/Restrictions

Investments for client accounts (including public pension funds, trusts and charitable organizations) are managed in accordance with each client's stated investment objectives, strategy restrictions and guidelines.

4. D. Wrap-Fee Programs

Monarch Partners does not participate in, nor is it a sponsor of, any wrap-fee programs.

4. E. Assets Under Management as of 12/31/2022:

Discretionary basis: \$345,549,277

Non-Discretionary basis: \$0

Item 5 – Fees and Compensation

5. A. Adviser Compensation

Monarch Partners charges an annual fee based upon a percentage of the market value of the assets, including cash or its equivalent being managed by the firm. Monarch Partners' annual fee schedules, by strategy, are as follows:

Small Cap Value Equity	First \$25 million	1.00%
	Over \$25 million	0.90%
SMID Cap Value Select Equity	All Assets	1.00%
Micro Cap Value Equity	All Assets	1.25%

Monarch Partners, in its sole discretion, may waive the minimum fee. Additionally, fees may be negotiated with different clients or advisory arrangements.

Monarch Partners is compensated by the Adviser of the Funds for whom it recommends holdings in accordance with the agreement with the Adviser. Monarch Partners' fees for its recommendations in the model portfolios may be less than for those that are directly managed.

5. B. Direct Billing of Advisory Fees

Fee invoices are typically sent by mail to clients, who normally pay such fees by remittance of a check or by wire. Fees are payable by client upon receipt of invoice quarterly.

5. C. Other Non-Advisory Fees

Monarch Partners' annual fee is exclusive of, and in addition to, brokerage commissions, transaction fees, custodial fees and other related costs and expenses which shall be incurred by the client. Monarch Partners does not receive any portion of these commissions, fees, and costs. Monarch Partners, in its sole discretion, may agree to charge a smaller management fee based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client relationship, account retention, pro-bono activities, etc.).

5. D. Advance Payment of Fees

Monarch Partners' management fees shall be pro-rated and charged quarterly, in arrears, based upon an agreed upon methodology which is outlined in the client's Investment Management Agreement. Accounts initiated or terminated during a calendar quarter will be charged a pro-rated fee. Upon termination of any account, any earned, unpaid fees will be due and payable.

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

Monarch Partners does not currently charge any performance-based fees (fees based on a share of capital gains or capital appreciation of the assets of a client).

Item 7 – Types of Clients

Monarch Partners provides or anticipates providing portfolio management services to high net worth individuals, corporate pension and profit-sharing plans, Taft-Hartley plans, charitable institutions, foundations, endowments, municipalities, registered mutual funds, private investment funds, trust programs, sovereign funds, collective investment trusts, foreign funds such as UCITs and SICAVs, and other U.S. and international institutions. Our minimum account size is currently \$3 million for a separate account.

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

8. A. Methods of Analysis and Investment Strategies

Monarch Partners manages the following strategies:

- 1- Small Cap Value Equity

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- 2- SMID Cap Value Select Equity
 - 3- Micro Cap Value Equity

Monarch Partners utilizes a fundamental value investing approach. Monarch Partners identifies undervalued companies that possess catalysts that will enhance shareholder value.

Monarch Partners Small Cap Value Equity invests predominantly in securities with market capitalizations that are similar to securities listed in the Russell 2000 Value Index. The firm invests in 50-90 equities, looking for undervalued securities, with sound business fundamentals, and a catalyst for change, that will occur over the next 6-12 months. Individual positions are capped at 5% of the strategy at market. Monarch Partners Small Cap Value Equity expects to be fully invested. Cash is kept at 5% or less at all times.

Monarch Partners SMID Cap Value Select Equity invests predominantly in securities with market capitalizations that are similar to securities listed in the Russell 2500 Value Index. The firm typically invests in less than 75 equities, looking for undervalued securities, with sound business fundamentals, and a catalyst for change, that will occur over the next 6-12 months. Individual positions are capped at 5% of the strategy at market. Monarch Partners SMID Cap Value Select Equity expects to be fully invested. Cash is kept at 5% or less at all times.

Monarch Partners Micro Cap Value Equity invests predominantly in securities with market capitalizations that are similar to those securities listed in the Russell Microcap Index. The firm invests in 50-150 equities, looking for undervalued securities, with sound business fundamentals, and a catalyst for change, that will occur over the next 6-12 months. Individual positions are capped at 5% of the strategy at market. Monarch Partners Micro Cap Value Equity expects to be fully invested. Cash is kept at 5% or less at all times.

Investing in securities involves risk of loss that clients should be prepared to bear.

8. B. Material Risks of Investment Strategies

There can be no guarantee of success of the strategies offered by Monarch Partners. As a fundamental analysis investor, Monarch Partners approach to investing subjects the client to individual stock risk that is the risk that an individual stocks prices decline as the underlying business declines in value. Investment portfolios may be adversely affected by general economic and market conditions such interest rates, currency fluctuations, availability of credit, inflation rates, changes in laws and national and international political circumstances. These factors may affect the level and volatility of security pricing and the liquidity of an investment. The strategies offered by Monarch Partners may include the following risks:

Management Risk. Monarch's judgments about the value and potential appreciation of a particular security may be wrong and there is no guarantee that individual securities will perform as anticipated. The value of an individual security can be more volatile than the market as a whole.

Accuracy of Public Information. Monarch Partners selects investments, in part, on the basis of information and data filed by issuers with various government regulators or made directly available to the adviser by the issuers or through sources other than the issuers. Although Monarch Partners evaluates all such information and data and ordinarily seeks independent corroboration when Monarch considers it appropriate and reasonably available, the Adviser is not in a position to confirm the completeness, genuineness or accuracy of such information and data, and in some cases, complete and accurate information is not available.

Market Risk. Market risk refers to the possibility that the value of equity strategies may decline due to daily fluctuations in the securities markets. Stock prices change daily as a result of many factors, including developments affecting the condition of both individual companies and the market in general. In a declining stock market, prices for all companies may decline regardless of their long-term prospects.

8. C. Material Risks of Securities Used in Investment Strategies

Risks related to Equity Investments

Regardless of any one company's particular prospects, a declining stock market may produce a decline in prices for all equity securities, which could also result in losses. Other investment strategy risk factors could include:

Non-diversified Risk. Because the portfolios may invest a greater portion of its assets in securities of a single issuer or a limited number of issuers than a portfolio with diversification limitations, it may be more susceptible to a single adverse economic or political occurrence affecting one or more of these issuers.

Sector Focus Risk. The portfolios may be more heavily invested in certain sectors, which may cause the value of its shares to be especially sensitive to factors and economic risks that specifically affect those sectors and may cause the value of the portfolio to fluctuate more widely than a comparative benchmark.

Competition. Equity securities selected by Monarch Partners for their portfolios typically have significant market competitors and there is no guarantee that a portfolio security will perform better than its competitors and could be subject to risks competing with other companies with regard to product lines, technology advancements and/or management styles of the competing companies.

Micro-Cap, Small-Cap and Mid-Cap Company Risk. Investing in the securities of micro-cap, small-cap and mid-cap companies generally involves greater risk than investing in larger, more established companies. This greater risk is, in part, attributable to the fact that the securities of these companies usually have more limited marketability and, therefore, may be more volatile and less liquid than securities of larger, more established companies or the market averages in general. Because these

companies normally have fewer shares outstanding than larger companies, it may be more difficult to buy or sell significant amounts of such shares without an unfavorable impact on prevailing prices.

Another risk factor is that these companies often have limited product lines, markets, or financial resources and may lack management depth. These companies are typically subject to greater changes in earnings and business prospects than are larger, more established companies. In addition, these companies may not be well known to the investing public, may not be followed by the financial press or industry analysts, and may not have institutional ownership. These factors affect the Advisor's access to information about the companies and the stability of the markets for the companies' securities. These companies may be more vulnerable than large companies to adverse business or economic developments; the risk exists that the companies will not succeed; and the prices of the companies' shares could dramatically decline in value.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Monarch Partners or the integrity of the Monarch Partners' management.

Monarch Partners has no information applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

10. A. No Registered Representatives

Monarch Partners' management persons are not registered, nor do any management persons have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

10. B. No Other Registrations

Monarch Partners' management persons are not registered, nor do any management persons have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading adviser or an associated person of the foregoing entities.

10. C. Material Relationships or Arrangements

Monarch Partners does not have any material relationships or arrangements to our advisory business or our clients.

10. D. Recommendations of Other Investment Advisers

Monarch Partners does not recommend or select other investment advisers for clients.

Item 11 – Code of Ethics

11. A. Code of Ethics Document

Monarch Partners has adopted a Code of Ethics pursuant to Advisers Act Rule 204A-1 for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts, restrictions on political contributions and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Monarch Partners must acknowledge the terms of the Code of Ethics annually, or as amended. You may obtain a copy of our Code of Ethics by contacting the firm at (617) 419-2200 or by emailing the firm's CCO, So Chong Yi, at schongyi@monarchpartners.com.

11. B. Recommendations of Securities and Material Financial Interests

It is Monarch Partners' policy that the firm will not affect any principal or agency cross securities transactions for client accounts at this time. Monarch Partners will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer. We reserve the right to re-visit this policy in the future.

11. C. Personal Trading

Access Persons must follow the substantive restrictions placed on personal trading. In general, purchases and sales of reportable securities will be allowed, but are subject to restriction. Any exception to this rule must be at the approval of the Chief Compliance Officer. No Access Person shall sell, directly or indirectly, any security that he or she knows, or should have known at the time of such sale, is part of a buy or sell program being conducted by Monarch Partners. With this being said, Monarch Partners anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which the firm has management authority to effect and will

recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which Monarch Partners, its affiliates and/or clients, directly or indirectly, have a position of interest. Since this could represent a conflict of interest, Monarch Partners' employees and persons associated with the firm are required to follow Monarch Partners' Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Monarch Partners and its affiliates may not trade for their own accounts in securities which are recommended to and/or purchased for the firm's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Monarch Partners will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to divest from their own personal accounts. Under the Code of Ethics certain classes of securities (i.e. Mutual Funds, Money Market Funds, ETFs) have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of Monarch Partners' clients. Employee trading is continually monitored under the Code of Ethics to reasonably prevent conflicts of interest between Monarch Partners and its clients.

11. D. Timing of Personal Trading

Because the Code of Ethics in some circumstances would permit employees to trade 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 Monarch Partners and its clients.

Item 12 – Brokerage Practices

12. A. Selection of Broker/Dealers

In general, Monarch Partners' policy regarding the selection of brokers and payments of commissions seeks best execution, and the degree of skill required by the broker-dealer. In selecting a broker-dealer, Monarch Partners also takes into account certain factors specific to a particular broker-dealer such as trading capacity of the firm, its financial stability, industry reputation, its ability to achieve prompt and reliable executions at favorable prices, the operational efficiency at which it effects transactions, its responsiveness to the firm's requests and the scope of its ancillary services. Such ancillary services include the quality of research coverage, economic or geopolitical coverage, bond capacity, back office and processing capabilities.

The commissions paid by Monarch Partners' clients shall comply with the firm's duty to obtain "best execution". However, a client may pay a commission that is higher than another qualified broker-dealer might charge to affect the same transaction where the firm determines in good faith, that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of

broker-dealers services, including among other things, the value of research provided, execution capability, commission rates, and responsiveness. Consistent with the foregoing, while the Firm will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client transactions.

If the client requests Monarch Partners to arrange for the execution of securities brokerage transactions for the client's account, the firm shall direct such transactions through the broker-dealers that the firm reasonably believes will provide best execution. Transactions may be cleared through other broker-dealers with whom the Firm and the Financial Institutions have entered into agreements for prime brokerage clearing services. The Firm shall periodically and systematically review its policies and procedures regarding recommending broker-dealers to its client in light of its duty to obtain best execution.

Client accounts are traded on an aggregated basis when consistent with Monarch Partners' obligation of best execution. In such circumstances, the client accounts will share commission costs equally and receive securities at a total average price. Monarch Partners 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. Any exceptions will be explained on the order. When the partial order purchases a small number of shares, those shares may be allocated to a smaller subset of those accounts. Monarch Partners has designed procedures to allocate those shares on a rotational basis to not favor one account over another.

1. Research and Other Soft Dollar Benefits

Monarch Partners may consider the value of various services or products that a broker provides to the firm, including the value of research services and products. Selecting a broker in recognition of such other services or products is known as paying for those services or products with "soft dollars". Soft dollar practices come into play when an investment adviser executes transactions with a broker dealer with which it has an agreement to receive research products and services. Monarch Partners uses soft dollars to acquire research products and services that fall within the safe harbor provided by the SEC under Section 28(e) of the Exchange Act.

Research obtained with soft dollars may not be utilized by Monarch Partners for the specific account that generated the soft dollars. It should be noted that the value of research cannot be measured precisely, and commissions paid for research services certainly cannot always be allocated to clients in direct proportion to the value of the services to each client. Monarch Partners does not usually attempt to allocate the relative costs or benefits of research among client accounts because it believes that, in the aggregate, the research it receives benefits clients and assists Monarch Partners in fulfilling its overall duty to its clients.

Monarch Partners may also use soft dollars to pay for a portion of certain "mixed use" items (products or services that provide both research and non-research benefits). Although the allocation between

soft dollars and cash is not always capable of precise calculation, Monarch Partners makes a good faith effort to allocate such items reasonably between the brokerage and research services and other benefits and pays for such other benefits in cash. Records of any such allocations and payments are maintained.

Receipt of research from brokers who execute client trades involves conflicts of interest. An adviser that uses client brokerage commissions to obtain research receives a benefit because it does not have to produce or pay out-of-pocket for the research. Therefore, the adviser may have an incentive to select or recommend a broker based on its desire to receive the soft-dollar research in lieu of best execution of client transactions. While it is possible that a commission incurred by the client may be higher on any given transaction, the selection of the executing broker/dealer is made with all factors in mind, including execution efficiency, settlement capabilities, research and overall financial health of the broker.

In order to mitigate this conflict:

- We do not enter into agreements with any broker regarding the placement of securities based solely on soft dollar research.
- Research acquired by Monarch Partners through soft dollars is used for the benefit for all clients, even though not all client transactions are executed at one brokerage firm.

Soft dollar arrangements will acquire research services through soft dollar transactions including, but not limited to:

- economic, industry or company research reports or investment recommendations.
- compilations of securities prices, earnings, dividends and similar data.
- meetings with corporate executives.
- seminars and conferences that relate to investment research.
- quotation services, research or analytical computer software and services (i.e. FactSet)

2. Brokerage for Client Referrals

Monarch Partners does not maintain any brokerage for client referrals arrangements.

3. Directed Brokerage Transactions

While Monarch Partners generally selects broker-dealers for client accounts, Monarch Partners will accept in limited instances direction from clients as to which broker-dealer is to be used. If the client directs the use of a particular broker-dealer, Monarch Partners asks that the client also specify in writing (i) general types of securities for which the designated firm should be used and (ii) whether the designated firm should be used for all transactions, even though Monarch Partners might be able

to obtain a more favorable net price and execution from another broker-dealer in particular transactions. Clients, who, in whole or in part, direct Monarch Partners to use a particular broker-dealer to execute transactions for their accounts should be aware that, in so doing, they may adversely affect Monarch Partners' ability to, among other things, obtain volume discounts on bunched orders or to obtain best price and execution by, for example, executing over-the-counter stock transactions with the market makers for such securities.

Additionally, transactions for a client that directs brokerage are generally unable to be combined or "bunched" for execution purposes with orders for the same securities for other accounts managed by Monarch Partners. Accordingly, directed transactions may be subject to price movements, particularly in volatile markets, that may result in the client receiving a price is less than favorable than the price obtained for the bunched order. Under these circumstances, the direction by a client of a particular broker or dealer to execute transactions may result in higher commissions, greater spreads, or less favorable net prices than might be the case if Monarch Partners could negotiate commission rates or spreads freely, or select brokers or dealers based on best execution. Consequently, best price and execution may not be achieved.

12. B. Aggregation of Orders

Client accounts that are managed in similar styles often have similar or identical portfolio compositions and weightings. For this reason, Monarch Partners may seek to acquire or dispose of the same securities for multiple accounts contemporaneously and may aggregate into a single trade order several individual contemporaneous client trade orders for a single security using an order management system provided by an unaffiliated service provider which could potentially reduce brokerage commissions as a result volume discounts based on the size of the aggregated order.

Because the size and mandate of client accounts often differ, the securities held in such accounts may not be identical. In appropriate circumstances, any account managed by Monarch Partners may purchase or sell a security prior to other Monarch Partners' accounts. This could occur, for example, as a result of the specific investment objectives of the client, different cash resources arising from contributions or withdrawals, or specific, client-imposed restrictions.

Consistent with each participating client's investment advisory agreement, Monarch Partners may bunch orders for more than one managed account to facilitate best execution, including negotiating more favorable prices, obtaining more timely or equitable execution or reducing overall commission charges. Monarch Partners seeks to aggregate trade orders in a manner that is consistent with its duty to: (1) seek best execution of client orders, (2) treat all clients fairly, and (3) not systematically advantage or disadvantage any single client. When a decision is made to aggregate transactions on behalf of more than one account, such transactions will be allocated to all participating client accounts in a fair and equitable manner. When an aggregated order is filled in its entirety, each participating client account will participate at the average share price for the aggregated order, and transaction costs shall be shared *pro rata* based on each client's participation in the aggregated order.

When a bunched order is partially filled, Monarch Partners will allocate the order in accordance with written aggregation and allocation procedures, described generally below.

Pro rata allocation may be used when a bunched order (which generally involves only non-directed accounts) cannot be fully executed in a single day. The partial fill of the order is generally allocated among the participating client accounts based on the size of each account's original order, subject to rounding in order to achieve "round lots". Unexecuted orders will continue until the bunched order is completed or until all component orders have been cancelled. New orders for the same security will be aggregated with any remaining unexecuted orders and will continue in the same manner. Monarch Partners' systems will be updated to reflect partial executions until the bunched order is completed or to reflect that outstanding orders have been cancelled. If remaining positions are too small to satisfy the minimum order amount, Monarch Partners may decide to allocate the remaining shares to those accounts seeking large positions which were unfilled. Monarch Partners may also decide to allocate remaining shares to those accounts whose orders would be completed as a result of the allocation.

Monarch Partners may allocate on a basis other than *pro rata*, if, under the circumstances, such other method of allocation is reasonable, does not result in improper or undisclosed advantage or disadvantage to other accounts, and results in fair access over time to trading opportunities for all eligible managed accounts. For example, Monarch Partners may identify investment opportunities that are appropriate for certain accounts and not others, based on such factors as investment objectives, style, risk/return parameters, regulatory and client restrictions, tax status, account size, sensitivity to turnover, available cash and cash flows. Consequently, Monarch Partners may decide it is more appropriate to place a given security in one account rather than another account. Other non-*pro rata* methods include rotation allocation or random allocation. Alternative methods of allocation are appropriate, for example, when the transaction size is too limited to be effectively allocated *pro rata* among all eligible accounts.

Monarch Partners may also consider the following when allocating trades: (1) cash flow changes (including available cash, redemptions, exchanges, capital additions and capital withdrawals) which may require deviation from a pre-established allocation (as long as it doesn't result in an unfair advantage to specific accounts or types of accounts over time); and (2) accounts with specialized investment objectives or restrictions that emphasize investment in a specific category of securities may be given priority over other accounts in allocating such securities.

Item 13 – Review of Accounts

13. A. Frequency and Nature of Review

For those clients to whom Monarch Partners provides investment management services, the firm monitors those portfolios as part of an ongoing process while regular account reviews are conducted on at least a quarterly basis. Such reviews are conducted by the firm's Chief Compliance Officer. All investment advisory clients are encouraged to discuss their needs, goals and objectives with Monarch

Partners and to keep the firm informed of any changes thereto. Monarch Partners shall contact ongoing investment advisory clients at least annually to review its previous services and/or recommendations and to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

Unless otherwise agreed upon, clients are provided with quarterly account holdings, transactions, and performance calculations from the broker-dealer or custodian for the client accounts. Those clients to whom the Firm provides investment advisory services will also receive a report from the Firm that may include such relevant account and/or market related information such as and inventory of account holdings and account performance on a quarterly basis.

13. B. Factors That May Trigger an Account Review Outside of Regular Review

More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

13. C. Content and Frequency of Client Reports

Written quarterly reports are furnished to each private account client and a portfolio manager will meet with such clients when requested or at such other times as may be mutually agreed to by Monarch Partners and the client. Such meetings may be conducted in person or telephonically. Content of the reports produced by Monarch Partners may include market commentary, discussion of investment strategies and performance. Client account statements include account holdings and individual account performance data.

Item 14 – Client Referrals and Other Compensation

Monarch Partners does not currently maintain solicitation or client referral arrangements.

Item 15 – Custody

Monarch Partners does not maintain custody of client assets or securities. Client assets and securities managed by Monarch Partners are held at independent, qualified custodians.

Account Statements

Clients should receive at least quarterly statements from the broker-dealer, bank or other qualified custodian that holds and maintains client's investment assets. Monarch Partners takes steps to assure itself that the client's qualified custodian sends periodic account statements, no less frequently than quarterly, showing all transactions in the account, including fees paid to Monarch Partners, directly to such clients in accordance with the Custody Rule.

Monarch Partners urges clients to carefully review and compare official custodial records to the account statements that Monarch Partners provides. Monarch Partners statements may vary slightly from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16 – Investment Discretion

Monarch Partners receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, Monarch Partners observes the investment policies, limitations and restrictions of the clients for which it advises.

Investment guidelines and restrictions must be provided to Monarch Partners in writing.

Item 17 – Voting Client Securities

Monarch Partners votes all proxies if instructed to do so by the client. Monarch Partners has adopted a general policy to vote proxy proposals, amendments, consents, and resolutions relating to investments held in client accounts in a manner that serves the best interests of the client and the value of their investments. Generally, Monarch Partners does not direct client participation in class actions. Unless there is an agreement in writing, Monarch Partners will not advise or file any action on behalf of clients in any legal proceedings, including bankruptcy or class action, involving securities held in or formerly held in clients' accounts. Any documentation inadvertently received by Monarch Partners regarding clients' participation in class actions will be returned to the sender or forwarded to the appropriate client.

Monarch Partners has contracted with Institutional Shareholder Services ("ISS"). ISS will provide proxy voting support with regard to casting votes and keeping voting records. Monarch Partners can instruct ISS to vote either for or against a particular type of proposal or Monarch Partners can instruct ISS to seek instruction with respect that particular type of proposal on a case-by-case basis. ISS receives all proxy statements where Monarch Partners is authorized to vote and sorts the proposals according to Monarch Partners' Voting Instructions. Proposals for which a voting decision has been pre-determined are automatically voted by ISS pursuant to the Voting Instructions. Case-by-case decisions are generally made by Monarch Partners. All voting records where Monarch Partners retains proxy voting authority are maintained by ISS, except that Monarch Partners will maintain copies of any document created by Monarch Partners that was material in making a determination of how to vote a "case-by-case" proxy or that memorializes the basis for that decision.

On occasion, Monarch Partners may determine not to vote a particular proxy. This may be done, for example where: (1) the cost of voting the proxy outweighs the potential benefit derived from voting; (2) a proxy is received with respect to securities that have been sold before the date of the shareholder meeting and are no longer held in a client account; (3) the terms of an applicable securities lending agreement prevent Monarch Partners from voting with respect to a loaned security; (4) despite reasonable efforts, Monarch Partners receives proxy materials without sufficient time to reach an informed voting decision and vote the proxies; (5) the terms of the security or any related agreement or applicable law preclude Monarch Partners from voting; or (6) the terms of an applicable advisory agreement reserve voting authority to the client or another party.

Monarch Partners acknowledges that, when voting proxies, it is responsible for identifying and addressing material conflicts of interest. In order to ensure that Monarch Partners is aware of the facts necessary to identify conflicts, relevant personnel must inform Monarch Partners' chief compliance officer of any personal conflicts (such as director or officer positions held by them, their spouses or close relatives in a portfolio company). Conflicts based on business relationships with Monarch Partners or any affiliate will be considered only to the extent that Monarch Partners has actual knowledge of such relationships. If a material conflict exists that cannot be otherwise addressed, Monarch Partners may choose one of several options to eliminate the conflict, including: (1) automatic voting by ISS in accordance with the Voting Instructions; (2) voting as recommended by a third party service that may be employed by Monarch Partners; (3) "echo" or "mirror" voting the proxies in the same proportion as the votes of other proxy holders that are not Monarch Partners clients; (4) if possible, erecting information barriers around the person or persons making the voting decision sufficient to insulate the decision from the conflict; and (5) if agreed upon in writing with the client, forwarding the proxies to affected clients and allowing them to vote their own proxies.

Clients may choose to vote their own proxies for securities held in their account. If this is the case, the Client must notify Monarch Partners in writing that they wish receive proxy solicitations directly and assume responsibility for voting them. However, Monarch Partners will not have the ability to accept direction from clients on a particular solicitation.

A client or investor may obtain copies of Monarch Partners' written Proxy Procedures, as well as information regarding how proxies were voted for its account by requesting such information from Monarch Partners at the address, phone number and/or email address listed on the cover page of this brochure. Monarch Partners will not disclose proxy votes to one client regarding votes cast for another client and will not disclose such information to third parties, unless specifically requested, in writing, to do so by the client. However, to the extent that Monarch Partners may serve as a sub-adviser to another adviser, Monarch Partners will be deemed to be authorized to provide proxy voting records regarding such sub-advised accounts to the adviser for such accounts.

Item 18 – Financial Information

18. A. Advance Payment of Fees

Monarch Partners does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

18. B. Financial Condition

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Monarch Partners' financial condition. Monarch Partners has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients.

18. C. No Bankruptcy Proceedings

Monarch Partners has not been the subject of a bankruptcy proceeding.