

Item 1 – Introduction

Monarch Partners Asset Management, LLC (“Monarch”) is an SEC-registered investment adviser that provides advisory services. Brokerage and investment advisory services and fees differ and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professional at Investor.gov/CRS, which also provides educational material about broker-dealers, investment advisers, and investing.

Item 2 – Relationships and Services

What investment services and advice can you provide me?

We offer investment advisory services to institutional investors, as well as retail investors, primarily in equity portfolios in small, small-mid, and micro cap strategies. We provide investment services in accordance with the investment objectives of each of our clients.

Monitoring	As part of our standard offering, Monarch monitors discretionary investments it manages on behalf of retail clients’ as-needed, but no less than quarterly.
Investment Authority	Monarch provides investment services under discretionary authority. This means that Monarch may execute transactions in client accounts without prior approval from the client. In all cases, however, such discretion is exercised in a manner consistent with the stated investment objectives for the particular client account.
Investment Offerings	We do not currently limit our advice to proprietary products, or a limited menu of products or types of investments.
Requirements	Currently, Monarch’s minimum account size is \$3 million for a separate account.

For additional information, see Item 4 – Advisory Business (pages 4-5) of Monarch’s ADV Part 2A (Brochure) which can be accessed here: <https://adviserinfo.sec.gov/>.

- **Given my financial situation, should I choose an investment advisory service? Why or why not?**
- **How will you choose investments to recommend to me?**
- **What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?**

Item 3 – Fees, Costs, Conflicts, and Standard of Conduct

What fees will I pay?

Monarch charges an annual fee based upon a percentage of the market value of the assets being managed by the firm. Monarch’s fee schedule by strategy is listed as follows: Small Cap Value Equity, 1.00% for the first \$25 million, 0.90% for assets over \$25 million. SMID Cap Value Equity, 0.90% for the first \$25 million, 0.80% for assets over \$25 million. Micro Cap Value equity has a fee schedule of 1.25% for all assets. Fees may be negotiated or waived at our sole discretion. Monarch’s management fees shall be charged quarterly, in arrears, based upon an agreed upon methodology outlined in the client’s initial agreement.

Our fees are asset based. Thus, the more assets there are in your advisory account, the more fees we receive. This incentivizes us to encourage you to increase the assets in your account and / or accept investment risks to increase the assets in your portfolio. Monarch’s advisory fees are 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 does not receive any portion of these commission, fees, and costs.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. For additional information, please see Item 5- Fees and Compensation in Monarch's Form ADV Part 2A (pages 5-6) accessible at the following link: <https://adviserinfo.sec.gov/>.

Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs? How much will be invested for me?

What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means. Monarch receives other benefits, which are received through "soft dollars." "Soft dollars" refers to the practice of using broker commission dollars to pay for trading and research related goods or services and trade execution. Monarch receives research reports and investment recommendations, compilations of securities data, meetings with corporate executives, industry seminars and conferences, and computer software and services through the use of "soft dollars." This creates a conflict of interest. When broker commissions relating to client transactions are used to obtain research or other products or services, we receive benefits that may not necessarily benefit an individual client. We may also be incentivized to execute transactions with a broker who provides these soft dollar benefits. We mitigate this risk by not entering into agreements with any broker regarding the placement of securities based solely on soft dollar research; research acquired by Monarch through soft dollars is used for the benefit of all clients. A detailed list of these soft-dollar programs is included in Monarch's ADV Part 2A accessible here: <https://adviserinfo.sec.gov/>.

How might your conflicts of interest affect me and how will you address them?

How do your financial professionals make money?

Monarch employees are compensated through firm revenue from management fees paid by advisory clients. This receipt of payment creates a conflict of interest because the more money you have in your account, the more the employee may be compensated. This creates an incentive to encourage you to increase assets in your account. Our Head of Business Development & Client Relations also receives commission (based on a percentage of the management fee charged to the client) for bringing in new clients.

Item 4 – Disciplinary History

Do you or your financial professionals have legal or disciplinary history?

No. A free and simple search tool to research us and our financial professionals is available at Investor.gov/CRS.

As a financial professional, do you have any disciplinary history? For what type of conduct?

Additional information about our investment advisory services and an up-to-date copy of the relationship summary is available by contacting our *Chief Compliance Officer* at schongyi@monarchpartners.com or (617) 419-2215.

Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?