

MONROE CAPITAL Corp
Form PRE 14A
May 09, 2013
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

SCHEDULE 14A
(RULE 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement.
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2)).**
- Definitive Proxy Statement.
- Definitive Additional Materials
- Soliciting Material Pursuant to Section 240.14a-12

Monroe Capital Corporation

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(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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 - (1) Amount Previously Paid:

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(3) Filing Party:

(4) Date Filed:

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311 South Wacker Drive, Suite 6400

Chicago, Illinois 60606

(312) 258-8300

May , 2013

Dear Stockholder:

You are cordially invited to attend Monroe Capital Corporation's 2013 Annual Meeting of Stockholders to be held on June 26, 2013 at 3:00 p.m. Eastern Time, at 311 South Wacker Drive, 10th Floor Conference Center, Chicago, Illinois 60606.

The Notice of Annual Meeting and proxy statement accompanying this letter provide an outline of the business to be conducted at the meeting. I will also report on the progress of the Company during the past year and answer stockholders' questions.

It is important that your shares be represented at the Annual Meeting. If you are unable to attend the meeting in person, I urge you to vote your shares by completing, dating and signing the enclosed proxy card and promptly returning it in the envelope provided or, alternatively, by calling the toll-free telephone number or using the internet as described on the proxy card. If a broker or other nominee holds your shares in street name, your broker has enclosed a voting instruction form, which you should use to vote those shares. The voting instruction form indicates whether you have the option to vote those shares by telephone or by using the internet. Your vote is important regardless of the number of shares you own. We urge you to fill out, sign, date and mail the enclosed proxy card or authorize your proxy by telephone or through the internet as soon as possible even if you currently plan to attend the Annual Meeting. This will not prevent you from voting in person but will assure that your vote is counted if you are unable to attend the meeting.

On behalf of your board of directors, thank you for your continued interest and support.

Sincerely yours,

Theodore L. Koenig
Chairman & Chief Executive Officer

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MONROE CAPITAL CORPORATION

311 South Wacker Drive, Suite 6400

Chicago, Illinois 60606

(312) 258-8300

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held On June 26, 2013

To the Stockholders of Monroe Capital Corporation:

The 2013 Annual Meeting of Stockholders of Monroe Capital Corporation (the Company) will be held at 311 South Wacker Drive, 10th Floor Conference Center, Chicago, Illinois 60606, on June 26, 2013, at 3:00 p.m. (Eastern Time) for the following purposes:

1. To elect two Class I directors to serve until their respective successors have been duly elected and qualified (**Proposal No. 1**);
2. To ratify the selection of McGladrey LLP to serve as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2013 (**Proposal No. 2**);
3. To approve a proposal to authorize flexibility for the Company, subject to approval of the Board of Directors of the Company, to sell shares of its common stock during the next twelve months at a price below the Company's then-current net asset value per share, subject to certain conditions as set forth in this proxy statement (**Proposal No. 3**);
4. To transact such other business as may properly come before the meeting, or any adjournments or postponements thereof.

You have the right to receive notice of and to vote at the meeting if you were a stockholder of record at the close of business on May 7, 2013. Whether or not you expect to be present in person at the meeting, please vote by signing the enclosed proxy card and returning it promptly in the self-addressed envelope provided or, alternatively, by calling the toll-free telephone number or using the internet as described on the proxy card. If a broker or other nominee holds your shares in street name, your broker has enclosed a voting instruction form, which you should use to vote those shares. The voting instruction form indicates whether you have the option to vote those shares by telephone or by using the internet. In the event there are not sufficient votes for a quorum or to approve or ratify any of the foregoing proposals at the time of the Annual Meeting, the Annual Meeting may be adjourned in order to permit further solicitation of the proxies by the Company.

By order of the Board of Directors,

Aaron D. Peck
Chief Financial Officer, Chief Investment Officer, Chief
Compliance Officer and Corporate Secretary

Chicago, Illinois

May , 2013

This is an important meeting. To ensure proper representation at the meeting, please indicate your vote as to the matters to be acted on at the meeting by following the instructions provided in the enclosed proxy card or voting instruction form. Even if you vote your shares prior to the meeting, you still may attend the meeting and vote your shares in person.

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MONROE CAPITAL CORPORATION

311 South Wacker Drive, Suite 6400

Chicago, Illinois 60606

(312) 258-8300

PROXY STATEMENT

2013 Annual Meeting of Stockholders

This proxy statement is furnished in connection with the solicitation of proxies by the Board of Directors of Monroe Capital Corporation (the Company, we, us or our) for use at our 2013 Annual Meeting of Stockholders to be held on June 26, 2013, at 3:00 p.m. (Eastern Time) at 311 South Wacker Drive, 10th Floor Conference Center, Chicago, Illinois 60606, and at any adjournments thereof (the Annual Meeting). The Notice of Annual Meeting, this proxy statement, the accompanying proxy card and our Annual Report for the fiscal year ended December 31, 2012 are first being sent to stockholders on or about May , 2013.

We encourage you to vote your shares, either by voting in person at the meeting or by granting a proxy (i.e., authorizing someone to vote your shares). If you vote by mail, internet or telephone as described in the instructions on the proxy card or voting instruction form, and we receive your vote in time for the meeting, the persons named as proxies will vote the shares registered directly in your name in the manner that you specified. **If you give no instructions on the proxy card, the shares covered by the proxy card will be voted FOR the election of the nominee as director and FOR the other matters listed in the accompanying Notice of Annual Meeting of Stockholders.**

YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING, PLEASE PROMPTLY VOTE YOUR SHARES EITHER BY MAIL OR BY TELEPHONE.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL STOCKHOLDER MEETING TO BE HELD ON JUNE 26, 2013:

The Notice of Annual Meeting, proxy statement, proxy card and our Annual Report for the fiscal year ended December 31, 2012 are available at the following internet address: *www.monroebdc.com*.

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INFORMATION ABOUT THE MEETING

When is the Annual Meeting?

The Annual Meeting will be held on June 26, 2013, at 3:00 p.m. (Eastern Time).

Where will the Annual Meeting be held?

The Annual Meeting will be held at 311 South Wacker Drive, 10th Floor Conference Center, Chicago, Illinois 60606.

What items will be voted on at the Annual Meeting?

There are three matters scheduled for a vote:

1. To elect two Class I directors to serve until their respective successors have been duly elected and qualified (**Proposal No. 1**);
2. To ratify the selection of McGladrey LLP to serve as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2013 (**Proposal No. 2**);
3. To approve a proposal to authorize flexibility for the Company, subject to approval of the Board of Directors of the Company, to sell shares of its common stock during the next twelve months at a price below the Company's then-current net asset value per share, subject to certain conditions as set forth in this proxy statement (**Proposal No. 3**);
4. To transact such other business as may properly come before the meeting, or any adjournments or postponements thereof.

As of the date of this proxy statement, we are not aware of any other matters that will be presented for consideration at the Annual Meeting.

What are the Board of Directors' recommendations?

Our Board of Directors recommends that you vote:

FOR the election of the two Class I director nominees named herein to serve on the Board of Directors;

FOR the ratification of the selection of McGladrey LLP to serve as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2013; and

FOR the proposal to authorize flexibility for the Company, subject to approval of the Board of Directors of the Company, to sell shares of its common stock during the next twelve months at a price below the Company's then-current net asset value per share, subject to certain conditions as set forth in this proxy statement.

Will the Company's directors be in attendance at the Annual Meeting?

The Company encourages, but does not require, its directors to attend annual meetings of stockholders. However, the Company anticipates that all of its directors will attend the 2013 Annual Meeting.

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INFORMATION ABOUT VOTING

Who is entitled to vote at the Annual Meeting?

Only stockholders of record at the close of business on the record date, May 7, 2013, are entitled to receive notice of the Annual Meeting and to vote the shares for which they are stockholders of record on that date at the Annual Meeting, or any postponement or adjournment of the Annual Meeting. As of the close of business on May 7, 2013, we had 5,764,393 shares of common stock outstanding.

How do I vote?

With respect to Proposal No. 1, you may either vote **FOR** each of the Class I nominees to the Board of Directors, or you may vote **WITHHOLD AUTHORITY** for the nominees. For each of the other proposals to be voted on, you may vote **FOR** or **AGAINST**, or abstain from voting altogether. The procedures for voting are fairly simple:

Stockholders of Record: Shares Registered in Your Name. If on May 7, 2013, your shares were registered directly in your name with the Company's transfer agent, American Stock Transfer & Trust Company, LLC, then you are a stockholder of record. If you are a stockholder of record, you may vote in person at the Annual Meeting or vote by giving us your proxy. You may give us your proxy by completing the enclosed proxy card and returning it in the enclosed postage-prepaid envelope, or by calling a toll-free telephone number or using the internet as further described below and on the enclosed proxy card. **Whether or not you plan to attend the Annual Meeting, we urge you to fill out and return the enclosed proxy card or to otherwise give your proxy authorization by telephone or internet, as specified on the proxy card, to ensure your vote is counted.** You may still attend the Annual Meeting and vote in person if you have already voted by proxy or have otherwise given your proxy authorization.

IN PERSON: To vote in person, come to the Annual Meeting, and we will give you a ballot when you arrive.

BY MAIL: To vote using the enclosed proxy card, simply complete, sign and date the enclosed proxy card and return it promptly in the postage paid envelope provided. If you return your signed proxy card to us before the Annual Meeting, we will vote your shares as you direct.

BY INTERNET: To vote by internet, go to www.voteproxy.com and use the internet to transmit your voting instructions and for the electronic delivery of information **until** 11:59 p.m. Eastern Time on June 25, 2013. Have your proxy card available when you access the website and then follow the instructions.

BY TELEPHONE: To vote by telephone, call 1-800-PROXIES (1-800-776-9437) and use any touch-tone telephone to transmit your voting instructions **until** 11:59 p.m. Eastern Time on June 25, 2013. Have your proxy card available when you call the phone number above and then follow the instructions.

Beneficial Owners: Shares Registered in the Name of a Broker or Bank. If on May 7, 2013, your shares were held in an account at a brokerage firm, bank, dealer or other similar organization, then you are the beneficial owner of shares held in street name, and these proxy materials are being forwarded to you by that organization. If you are a beneficial owner of shares registered in the name of your broker, bank or other agent, you should have received a proxy card and voting instructions with these proxy materials from that organization rather than from the Company. Simply complete and mail the proxy card to ensure that your vote is counted. Alternatively, you may be able to vote by telephone or over the internet as instructed by your broker or bank. To vote in person at the Annual Meeting, you must obtain a valid proxy from your broker, bank or other agent. Follow the instructions from your broker or bank included with these proxy materials, or contact your broker or bank to request a proxy card.

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How many votes do I have?

On each matter to be voted upon, you have one vote for each share of common stock for which you are the stockholder of record as of May 7, 2013.

What does it mean if I receive more than one proxy card?

If you receive more than one proxy card, your shares are registered in more than one name or are registered in different accounts. Please provide a response (by telephone, internet or mail) for each proxy card you receive to ensure that all of your shares are voted.

What if I return a proxy card but do not make specific choices?

If you return a signed and dated proxy card without marking any voting selections, your shares will be voted: FOR the election of the two Class I director nominees named herein to serve on the Board of Directors; FOR the ratification of the selection of McGladrey LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2013; and FOR the proposal to authorize flexibility for the Company, subject to approval of the Board of Directors of the Company, to sell shares of its common stock during the next twelve months at a price below the Company's then-current net asset value per share, subject to certain conditions as set forth in this proxy statement.

If any other matter is properly presented at the meeting, your proxy (one of the individuals named on your proxy card) will vote your shares as recommended by the Board of Directors or, if no recommendation is given, will vote your shares using his or her discretion.

Can I change my vote after submitting my proxy card?

Yes. You can revoke your proxy at any time before the final vote at the Annual Meeting. If you are the stockholder of record of your shares, you may revoke your proxy in any one of three ways:

You may change your vote using the same method that you first used to vote your shares (by telephone, internet or mail);

You may send a written notice that you are revoking your proxy to Monroe Capital Corporation, 311 South Wacker Drive, Suite 6400, Chicago, Illinois 60606, Attention: Aaron D. Peck, Corporate Secretary; or

You may attend the Annual Meeting and notify the election officials at the Annual Meeting that you wish to revoke your proxy and vote in person. Simply attending the Annual Meeting, however, will not, by itself, revoke your proxy.

If your shares are held by your broker or bank as a nominee or agent, you should follow the instructions provided by your broker or bank.

How are votes counted?

Votes will be counted by the inspector of election appointed for the Annual Meeting, who will separately count FOR and WITHHOLD AUTHORITY votes for Proposal No. 1, and with respect to Proposal Nos. 2 and 3 FOR, AGAINST and ABSTAIN. A broker non-vote occurs when a nominee, such as a brokerage firm, bank, dealer or other similar organization, holding shares for a beneficial owner, does not vote on a particular proposal because the nominee does not have discretionary voting power with respect to that proposal and has not received instructions with respect to that proposal from the beneficial owner. In the event that a broker, bank, custodian, nominee or other record holder of our common stock indicates on a proxy that it does not have discretionary authority to vote certain shares on a particular proposal, then those shares will be treated as broker non-votes with respect to that proposal. Accordingly, if you own shares through a nominee, such as a brokerage firm, bank, dealer or other similar organization, please be sure to instruct your nominee how to vote to ensure that your vote is counted on each of the proposals.

If your shares are held by your broker as your nominee (that is, in street name), you will need to obtain a proxy form from the institution that holds your shares and follow the instructions included on that form

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regarding how to instruct your broker to vote your shares. **Under applicable Nasdaq Marketplace Rules, each of Proposal Nos. 1 (election of directors) and 3 (selling shares below net asset value) is a non-routine proposal. Since these proposals to be voted on at the Annual Meeting are not routine matters, the broker or nominee that holds your shares will need to obtain your authorization to vote those shares and will enclose a voting instruction form with this proxy statement. The broker or nominee will vote your shares as you direct on their voting instruction form so it is important that you include voting instructions.**

Abstentions will be treated as shares present for the purpose of determining the presence of a quorum for the transaction of business at the Annual Meeting.

How many votes are needed to approve each proposal?

For Proposal No. 1, the two nominees receiving the most FOR votes, among votes properly cast in person or by proxy, will be elected. If you vote WITHHOLD AUTHORITY with respect to a nominee, your shares will not be included in determining the number of votes cast and, as a result, will have no effect on this proposal.

To be approved, Proposal No. 2 must receive FOR votes from a majority of all votes cast at the Annual Meeting, whether in person or by proxy. For purposes of the vote on this proposal, abstentions will not be counted as votes cast and will have no effect on the result of the vote, although they will be considered present for the purpose of determining the presence of a quorum.

To be approved, Proposal No. 3 must receive FOR votes from (1) a majority of the outstanding shares of common stock entitled to vote at the Annual Meeting and (2) a majority of the outstanding shares of common stock entitled to vote at the Annual Meeting that are not held by affiliated persons of the Company. With respect to Proposal No. 3 only, Section 2(a)(42) of the Investment Company Act of 1940, or the 1940 Act, defines a majority of the outstanding shares as the lesser of: (1) 67% or more of the common stock of the Company present or represented by proxy at the Annual Meeting, if the holders of more than 50% of the Company's common stock are present or represented by proxy; or (2) more than 50% of the outstanding common stock of the Company. For purposes of the vote on this proposal, abstentions will have the effect of votes against the proposal, although they will be considered present for purposes of determining the presence of a quorum.

How many shares must be present to constitute a quorum for the Annual Meeting?

A quorum of stockholders is necessary to hold a valid meeting. A quorum will be present if at least a majority of the outstanding shares entitled to vote are represented by stockholders present at the Annual Meeting or by proxy. On May 7, 2013, the record date, there were 5,764,393 shares outstanding and entitled to vote. Thus, 2,882,197 shares must be represented by stockholders present at the Annual Meeting or by proxy to have a quorum.

Your shares will be counted towards the quorum only if you submit a valid proxy by mail, internet or telephone (or one is submitted on your behalf by your broker, bank or other nominee) or if you vote in person at the Annual Meeting. Abstentions will be counted towards the quorum requirement.

If a quorum is not present at the Annual Meeting, or if a quorum is present but there are not enough votes to approve one or more of the proposals, the person named as chairman of the Annual Meeting may adjourn the meeting to permit further solicitation of proxies. A stockholder vote may be taken on one or more of the proposals in this proxy statement prior to any such adjournment if there are sufficient votes for approval on such proposal(s).

How can I find out the results of the voting at the Annual Meeting?

Preliminary voting results will be announced at the Annual Meeting and filed on Form 8-K within four business days of the Annual Meeting. Final results will be published on an amended Form 8-K within four days after the final voting results are established.

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ADDITIONAL INFORMATION

How and when may I submit a stockholder proposal for the Company's 2014 Annual Meeting?

We will consider for inclusion in our proxy materials for the 2014 Annual Meeting of Stockholders, stockholder proposals that are received at our executive offices, in writing, and no later than 5:00 p.m. (Eastern Time) on January 15, 2014, and that comply with our bylaws and all applicable requirements of Rule 14a-8 promulgated under the Securities Exchange Act of 1934, as amended, or the Exchange Act. Proposals must be sent to our Corporate Secretary at Monroe Capital Corporation, 311 South Wacker Drive, Suite 6400, Chicago, Illinois 60606.

On March 15, 2011, our Board of Directors approved and adopted the bylaws of the Company. Pursuant to our bylaws, stockholders wishing to nominate persons for election as directors or to introduce an item of business at an annual meeting that are not to be included in our proxy materials must have given timely notice thereof in writing to our Corporate Secretary. To be timely for the 2014 Annual Meeting of Stockholders, you must notify our Corporate Secretary, in writing, no earlier than November 15, 2013, and no later than 5:00 p.m. (Eastern Time) on January 15, 2014. We also advise you to review our bylaws, which contain additional requirements about advance notice of stockholder proposals and director nominations, including the different notice submission date requirements in the event that our 2014 Annual Meeting of Stockholders is held more than 30 days before or after the first anniversary of the date the notice for the 2013 annual meeting is mailed. In accordance with our bylaws, the chairman of the 2014 Annual Meeting of Stockholders may determine, if the facts warrant, that a matter has not been properly brought before the meeting and, therefore, may not be considered at the meeting.

Pursuant to the Company's bylaws, among other things, a stockholder's notice shall set forth as to each individual whom the stockholder proposes to nominate for election or reelection as a director:

the name, age, business address and residence address of such individual;

the class, series and number of any shares of stock of the Company that are beneficially owned by such individual;

the date such shares were acquired and the investment intent of such acquisition;

whether such stockholder believes any such individual is, or is not, an interested person of the Company, as defined in the 1940 Act and information regarding such individual that is sufficient, in the discretion of the Board or any committee thereof or any authorized officer of the Company, to make either such determination; and

all other information relating to such individual that is required to be disclosed in solicitations of proxies for election of directors in an election contest (even if an election contest is not involved), or is otherwise required, in each case pursuant to Regulation 14A under the Exchange Act (including such individual's written consent to being named in the proxy statement as a nominee and to serving as a director if elected).

All nominees properly submitted to the Company (or which the nominating and corporate governance committee otherwise elects to consider) will be evaluated and considered by the members of the nominating and corporate governance committee using the same criteria as nominees identified by the nominating and corporate governance committee itself.

How can I obtain the Company's Annual Report on Form 10-K?

A copy of our 2012 Annual Report on Form 10-K for the fiscal year ended December 31, 2012 is being mailed along with this proxy statement. Our 2012 Annual Report is not incorporated into this proxy statement and shall not be considered proxy solicitation material.

We will also mail to you without charge, upon written request, a copy of any specifically requested exhibit to our Annual Report on Form 10-K for the fiscal year ended December 31, 2012. Requests should be sent to: Corporate Secretary, Monroe Capital Corporation, 311 South Wacker Drive, Suite 6400, Chicago, Illinois 60606. A copy of our Annual Report on Form 10-K has also been filed with the Securities

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and Exchange Commission, or the SEC, and may be accessed from the SEC's homepage (<http://www.sec.gov>).

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Who is paying for this proxy solicitation?

We will pay for the entire cost of soliciting proxies. If we retain a solicitor, we estimate that we would pay our proxy solicitor a fee of approximately \$15,000 for such services, plus reimbursement for out-of-pocket expenses, though the costs of the proxy solicitation process could be lower or higher than our estimate. If the Company engages a solicitor, you could be contacted by telephone on behalf of the Company and urged to vote. The solicitor will not attempt to influence how you vote your shares, but only ask that you take the time to cast a vote. You may also be asked if you would like to vote over the telephone and to have your vote transmitted to our proxy tabulation firm.

In addition to these written proxy materials, directors, officers and employees of Monroe Capital BDC Advisors, LLC, the Company's investment adviser, or our Investment Advisor, may also solicit proxies in person, by telephone or by other means of communication; however, our directors, officers and employees of our Investment Advisor will not be paid any additional compensation for soliciting proxies. In addition to the solicitation of proxies by the use of the mail, proxies may be solicited in person and/or by telephone or facsimile transmission by our proxy solicitor, directors, officers or employees of our Investment Advisor. Our Investment Advisor is located at 311 South Wacker Drive, Suite 6400, Chicago, Illinois 60606.

We may also reimburse brokerage firms, banks and other agents for the cost of forwarding proxy materials to beneficial owners.

How many copies should I receive if I share an address with another stockholder?

The SEC has adopted rules that permit companies and intermediaries, such as brokers, to satisfy the delivery requirements for proxy statements and annual reports with respect to two or more stockholders sharing the same address by delivering a single proxy statement addressed to those stockholders. This process, which is commonly referred to as householding, potentially provides extra convenience for stockholders and cost savings for companies.

Brokers may be householding our proxy materials by delivering a single proxy statement and Annual Report to multiple stockholders sharing an address unless contrary instructions have been received from the affected stockholders. Once you have received notice from your broker that they will be householding materials to your address, householding will continue until you are notified otherwise or until you revoke your consent. If at any time you no longer wish to participate in householding and would prefer to receive a separate proxy statement and Annual Report, or if you are receiving multiple copies of the proxy statement and Annual Report and wish to receive only one, please notify your broker if your shares are held in a brokerage account or us if you are a stockholder of record. You can notify us by sending a written request to: Aaron D. Peck, Corporate Secretary, Monroe Capital Corporation, 311 South Wacker Drive, Suite 6400, Chicago, Illinois 60606, or by calling (312) 258-8300. In addition, the Company will promptly deliver, upon written or oral request to the address or telephone number above, a separate copy of the Annual Report and proxy statement to a stockholder at a shared address to which a single copy of the documents was delivered.

Whom should I contact if I have any questions?

If you have any questions about the Annual Meeting, these proxy materials or your ownership of our common stock, please contact Aaron D. Peck c/o Monroe Capital Corporation, 311 South Wacker Drive, Suite 6400, Chicago, Illinois 60606, Telephone (312) 258-8300, or Fax: (312) 258-8350.

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The Board of Directors presently has seven members. Our Board of Directors is divided into three classes. Class I directors hold office for a term expiring at the Annual Meeting of Stockholders to be held in 2013, Class II directors hold office for a term expiring at the Annual Meeting of Stockholders to be held in 2014 and Class III directors hold office for a term expiring at the Annual Meeting of Stockholders to be held in 2015. Upon completion of the initial terms ending in 2013, 2014 and 2015, each class of directors will serve for three year terms. Each director holds office for the term to which he or she is elected and until his or her successor is duly elected and qualified. Vacancies on the Board of Directors may be filled by persons elected by a majority of the remaining directors. A director elected by the Board of Directors to fill a vacancy in a class, including any vacancies created by an increase in the number of directors, shall serve for the remainder of the full term of that class and until the director's successor is duly elected and qualified. Messrs. Thomas J. Allison and Robert S. Rubin are Class I directors, Messrs. Jorde M. Nathan, Aaron D. Peck and Jeffrey A. Golman are Class II directors, and Messrs. Theodore L. Koenig and Jeffrey D. Steele are Class III directors.

The Board of Directors has nominated two directors (upon the recommendation by the nominating and corporate governance committee), Messrs. Allison and Rubin, for election as Class I directors. If elected at the Annual Meeting, each of Messrs. Allison and Rubin would serve until the 2016 Annual Meeting of Stockholders and until his successor is elected and has qualified, or, if sooner, until his death, resignation or removal. Neither Mr. Allison nor Mr. Rubin is being nominated as a director for election pursuant to any agreement or understanding between such person and the Company. Each of Messrs. Allison and Rubin have indicated his willingness to continue to serve if elected and has consented to be named as a nominee. Neither Mr. Allison nor Mr. Rubin is an interested director of the Company as defined under the 1940 Act. It is our policy to encourage directors and nominees for director to attend the Annual Meeting.

The directors will be elected by a plurality of the votes cast at the meeting, which means that the two nominees receiving the highest number of votes will be elected. Any shares not voted, whether by withheld authority, abstention or otherwise, will have no effect on the outcome of the election of directors. There are no cumulative voting rights with respect to the election of directors.

The Board of Directors recommends a vote **FOR** the election of all of the nominees whose names are set forth on the following pages. A stockholder can vote for or withhold his or her vote from each nominee. **In the absence of instructions to the contrary, it is the intention of the persons named as proxies to vote such proxy for the election of the nominees named below. If a nominee should decline or be unable to serve as a director, it is intended that the proxy will be voted for the election of such person who is nominated as a replacement. The Board of Directors has no reason to believe that the Class I director nominees named will be unable or unwilling to serve.**

Certain of our directors who are also officers of the Company may serve as directors of, or on the boards of managers of, certain of our portfolio companies. The business address of each nominee and director listed below is 311 South Wacker Drive, Suite 6400, Chicago, Illinois 60606.

The following is a brief biography of the Class I director nominees.

Nominees for Class I Director*Independent Director*

Name	Age	Background Information
Thomas J. Allison	61	Mr. Allison has served on our Board of Directors and as our Audit Committee Chairperson since April 29, 2013. From 2006 until his retirement in 2012, Mr. Allison served as Executive Vice President and Senior Managing Director of Mesirov Financial Consulting, LLC, a full-service financial and operational advisory consulting firm headquartered in Chicago. At Mesirov, Mr. Allison managed complex turnaround situations and advised on major reorganizations and insolvencies. He also served as CEO, CFO or CRO for several clients. From 2002 to 2006, Mr. Allison

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served as National Practice Leader of the restructuring practice of Huron Consulting Group. From 1988 to 2002, he served in a variety of roles at Arthur Andersen, LLC, including Partner-in-Charge, Central Region Restructuring Practice. Earlier in his career, Mr. Allison served in various capacities at Coopers & Lybrand, First National Bank of Chicago and the Chicago Police Department. Mr. Allison has previously served as Chairman of the Association for Certified Turnaround Professionals, Chairman and Director of the Turnaround Management Association, is a Fellow in the American College of Bankruptcy and has taught as a guest lecturer at Northwestern University and DePaul University. Mr. Allison received his bachelor of science in commerce and his master of business administration from DePaul University.

Independent Director

Name	Age	Background Information
Robert S. Rubin	57	Mr. Rubin has served on our Board of Directors since our initial public offering in October 2012 and is a member of our audit committee and nominating and corporate governance committee. Mr. Rubin is currently managing principal of the Diamond Group, an investment group that operates various companies and partnerships engaged in asset management and real estate investments. Mr. Rubin has been Managing Principal of the Diamond Group since 1999, and has acted as President of the various operating companies and special purpose investment vehicles that comprise the Diamond Group, including serving as a member of the board of Diamond Bancorp, Inc. and Diamond Bank, FSB (formerly North Federal Savings Bank) in Chicago since 2004. From 1997 to 1998, Mr. Rubin founded and ran a boutique derivatives advisory firm called Prospect Park Capital Advisors, and from 1991 to 1997 co-founded and ran Horizon Advisors, a hedge fund and commodity trading advisor. From 1986 to 1991, Mr. Rubin worked at Nomura Securities in the Global Syndicate and New Products Department, where he co-founded and served on the board of Nomura Capital Services Inc., the first Japanese dealer in derivative products. From 1983 to 1986, Mr. Rubin worked at First National Bank of Chicago (now a part of JPMorgan Chase Bank, N.A.). Mr. Rubin currently serves on the boards of the Parsons Water Fund and the Aleh Foundation, which supports facilities for developmentally disabled children and adults in Israel. Mr. Rubin received his bachelor of arts from Harvard College in 1978 and his master of business administration from the University of Chicago in 1986.

The Board of Directors recommends a vote for each of the Class I director nominees named above.

The following is a brief biography of each Class II and Class III director.

Class II Directors*Interested Director*

Name	Age	Background Information
Aaron D. Peck	42	Mr. Peck has served as our director and as a member of our Investment Advisor's investment committee since our initial public offering in October 2012. Additionally, Mr. Peck serves as our Chief Financial Officer, Chief Investment Officer and Chief Compliance Officer. Mr. Peck has been a managing director of Monroe Capital since September 2012, where he is responsible for portfolio management and strategic initiatives. From 2002 to 2003 and from 2004 to June 2011, Mr. Peck worked in various capacities at Deerfield Capital Management LLC, including serving as its Co-Chief

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Investment Officer and as Managing Director of its Middle Market Lending Group. He also helped establish and served as chief portfolio manager for Deerfield Capital Corp. (fka Deerfield Triarc Capital Corp.), a publicly-traded externally-managed specialty finance hybrid mortgage REIT. For Deerfield Capital Corp., Mr. Peck was the primary point of contact for institutional and retail investors, equity research analysts, investment bankers and lenders. Mr. Peck also served as a member of Deerfield Capital's Executive Committee, Investment Committee and Risk Management Committee. From 2003 to 2004, Mr. Peck served as Senior Director of AEG Investors LLC and led the company's efforts in acquiring distressed middle market loans. From 2001 to 2002, Mr. Peck was a senior research analyst at Black Diamond Capital Management LLC. Prior to that, Mr. Peck worked in leveraged credit at several investment firms including Salomon Smith Barney, Merrill Lynch, ESL Investments and Lehman Brothers. Mr. Peck received his bachelor of science in commerce from the University of Virginia, McIntire School of Commerce and received a master of business administration with honors from The University of Chicago, Graduate School of Business.

Independent Director

Name	Age	Background Information
Jeffrey A. Golman	57	Mr. Golman has served on our Board of Directors since our initial public offering in October 2012 and serves as chairman of our nominating and corporate governance committee and a member on our audit committee. Since 2001, Mr. Golman has served as Vice Chairman and head of Investment Banking of Mesirow Financial, Inc., a diversified financial services firm headquartered in Chicago. Prior to his time with Mesirow Financial, Mr. Golman co-founded GGW Management Partners, LLC, a management-oriented investment group formed in partnership with Madison Dearborn Partners, Willis Stein & Partners and The Pritzker Organization, and was Managing Director with Lazard Frères & Co., LLC from 1989 to 1999. From 1981 to 1988, Mr. Golman worked with Salomon Brothers' Chicago Banking Group, rising to the level of Vice President. Prior to that time, Mr. Golman practiced corporate and tax law in Chicago. Mr. Golman is a director of the Cystic Fibrosis Foundation Leadership Council's Greater Illinois Chapter. Mr. Golman is also a member of The Economic Club of Chicago, a member of the University of Illinois Foundation and a member of the Development Council of B.U.I.L.D., Inc. (Broader Urban Involvement and Leadership Development), a non-profit organization which helps at-risk youth realize their potential and contributes to the stability, safety and well-being of our communities. Mr. Golman also serves on the Advisory Board of DHR International, Inc. in an advisory position and as a member of the Law Board of Northwestern University School of Law. Mr. Golman received his bachelor of science in accounting from the University of Illinois in Champaign-Urbana and received his juris doctor from Northwestern University.

Independent Director

Name	Age	Background Information
Jorde M. Nathan	50	Mr. Nathan has served on our Board of Directors and as a member of our nominating and corporate governance committee since April 29, 2013. Mr. Nathan was a Managing Director of Barclays Bank, a major global financial services provider, from 2008 until his retirement in 2012. From 1993 until 2008, Mr. Nathan was employed by Lehman Brothers Inc., and served as a

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Managing Director of distressed, high yield and leverage loan sales and trading. From 1985 to 1993, Mr. Nathan served in various capacities as a First Scholar at The First National Bank of Chicago, ultimately serving as head of trading for bank loans. Mr. Nathan graduated Phi Beta Kappa with an AB degree in Chinese Language and Economics from Amherst College and earned his master of business administration from the University of Chicago. Mr. Nathan is a member of the national board and serves as chairman of the central region of the Friends of Israel Defense Forces.

Class III Directors*Interested Director*

Name	Age	Background Information
Theodore L. Koenig	54	Mr. Koenig has served as our chairman of the board and chief executive officer since our formation in February 2011 and as chairman of our Investment Advisor's investment committee since our initial public offering in October 2012. Additionally, Mr. Koenig is the chief executive officer and a manager of our Investment Advisor. Since founding Monroe Capital in 2004, Mr. Koenig has served continuously as its President and Chief Executive Officer. Prior to founding Monroe Capital, Mr. Koenig served as the President and Chief Executive Officer of Hilco Capital LP from 1999 to 2004, where he invested in distressed debt, junior secured debt and unsecured subordinated debt transactions. From 1986 to 1999, Mr. Koenig was a partner with the Chicago-based corporate law firm, Holleb & Coff. Mr. Koenig is a past President of the Indiana University Kelley School of Business Alumni Club of Chicago. He currently serves as director of the Commercial Finance Association and is a member of the Turnaround Management Association, the Association for Corporate Growth and the American Bankruptcy Institute. Mr. Koenig also serves on the Dean's Advisory Council, Kelley School of Business; Board of Overseers, Chicago-Kent School of Law; and as Vice Chairman of the Board of Trustees of Allendale School, a non-profit residential and educational facility for emotionally troubled children in the greater Chicago area. He is also a Certified Public Accountant. Mr. Koenig received a bachelor of science in accounting, with high honors, from Indiana University and earned a juris doctor, with honors, from Chicago Kent College of Law.

Interested Director

Name	Age	Background Information
Jeffrey D. Steele	53	Mr. Steele has served on our Board of Directors since our initial public offering in October 2012. Since 2007, Mr. Steele has served as Executive Vice President and Managing Director of The Private Bank, a commercial bank headquartered in Chicago. Mr. Steele was a founding member of The Private Bank's Transitional Management Team, and is currently a member on the bank's Executive Committee and Loan Committee, where his responsibilities include operations, compliance, bank-wide performance and credit approval. From 1992 to 2007, Mr. Steele worked in various capacities at LaSalle Bank, N.A., including serving as Group Senior Vice President from 2001 to 2007. From 1982 to 1992, he served in a variety of roles at National Boulevard Bank of Chicago, including Vice President and Co-Head of Commercial Banking. Mr. Steele has previously served as a board member of the Better Government Association in Chicago and has taught as a guest lecturer at Indiana University Kelley School for Business and the

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University of Iowa Tippie College of Business. Mr. Steele received his bachelor of science in finance from Indiana University and completed a graduate program in banking management at the Stonier Graduate School of Banking.

Qualifications of Directors

When considering whether our directors have the experience, qualifications, attributes and skills, taken as a whole, to enable our Board of Directors to satisfy its oversight responsibilities effectively in light of our operational and organizational structure, the nominating and corporate governance committee and the Board of Directors focused primarily on the information discussed in each of the director's individual biographies set forth above and on the following particular attributes:

Interested Directors

Mr. Koenig: The nominating and corporate governance committee and the Board of Directors considered his substantial experience utilizing Monroe Capital's investment strategy and investing in a variety of debt transactions, as well as his legal background, which provides our Board of Directors with valuable experience, insight and perspective.

Mr. Peck: The nominating and corporate governance committee and the Board of Directors considered his experience in public company management, capital markets, risk management and financial services, which provides our Board of Directors with valuable industry knowledge, expertise and insight.

Mr. Steele: The nominating and corporate governance committee and the Board of Directors considered his extensive middle-market commercial banking and corporate finance experience, which provide our Board of Directors with insight, perspective and industry knowledge.

Independent Directors

Mr. Allison: The nominating and corporate governance committee and the Board of Directors considered his extensive turnaround and restructuring experience, significant financial leadership and extensive corporate finance experience, which provide our Board of Directors with industry knowledge and practical insight.

Mr. Golman: The nominating and corporate governance committee and the Board of Directors considered his extensive capital markets and middle-market investment banking experience as well as his legal background, which provide our Board of Directors with valuable industry knowledge and analytical perspective.

Mr. Nathan: The nominating and corporate governance committee and the Board of Directors considered his significant capital markets and leveraged loan experience, which provides our Board of Directors with industry knowledge and practical insight.

Mr. Rubin: The nominating and corporate governance committee and the Board of Directors considered his extensive capital markets, risk management and business operating experience, which provide our Board of Directors with practical knowledge and valuable insight and perspective.

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CORPORATE GOVERNANCE

Director Independence

The Board of Directors has a majority of directors who are independent under the listing standards of the Nasdaq Global Select Market, or Nasdaq. The Nasdaq Marketplace Rules provide that a director of a business development company shall be considered to be independent if he or she is not an interested person of the Company, as defined in Section 2(a)(19) of the 1940 Act. Section 2(a)(19) of the 1940 Act defines an interested person to include, among other things, any person who has, or within the last two years had, a material business or professional relationship with the Company.

The Board of Directors has determined that the following directors are independent: Messrs. Allison (Nominee), Golman, Nathan and Rubin (Nominee). Messrs. Koenig and Peck are interested persons due to their positions with the Company and/or our Investment Advisor, as discussed in their respective biographies. Mr. Steele is an interested person because his employer is a participating lender in the Company's credit facility. Based upon independently verified information obtained from each director and the Class I director nominees concerning their background, employment and affiliations, the Board of Directors has affirmatively determined that none of the independent directors or the Class I director nominees has a material business or professional relationship with the Company, other than in his capacity as a member of the Board of Directors or any committee thereof.

Organization of the Board of Directors

The Board of Directors has established an audit committee and a nominating and corporate governance committee. The Company does not have a compensation committee because its executive officers do not receive any direct compensation from the Company. The Board of Directors held one meeting in 2012 and the Board of Director's standing committees did not hold a meeting in 2012. The Company encourages, but does not require, the directors to attend the Company's annual meeting of its stockholders. Since they have joined the Board of Directors, each of our current directors has attended at least 75% of the aggregate number of meetings of the Board of Directors and of the respective committees on which he served that has been held during the director's period of service. The Company did not hold an annual meeting of stockholders in 2012 because it did not become a public reporting company until October 2012.

Board Leadership Structure

The Board of Directors monitors and performs an oversight role with respect to the business and affairs of the Company. Among other things, the Board of Directors approves the appointment of our Investment Advisor, administrator and officers, reviews and monitors the services and activities performed by our Investment Advisor, administrator and officers and approves the engagement, and reviews the performance of, the Company's independent registered public accounting firm.

Under the bylaws, the Board of Directors may designate a chairman to preside over the meetings of the Board of Directors and meetings of the stockholders and to perform such other duties as may be assigned to him by the Board of Directors. The Company does not have a fixed policy as to whether the chairman of the Board of Directors should be an independent director and believes that its flexibility to select its chairman and reorganize its leadership structure from time to time is in the best interests of the Company and its stockholders.

Presently, Mr. Koenig serves as the chairman of the Board of Directors. Mr. Koenig is an interested director because he is the Chief Executive Officer of the Company, serves on our Investment Advisor's investment committee and is a manager of our Investment Advisor. The Company believes that Mr. Koenig's history with the Company, familiarity with the Monroe Capital investment platform and extensive experience investing in and managing private equity and debt investments qualifies him to serve as chairman of the Board of Directors. Moreover, our Board of Directors believes that it is in the best interests of our stockholders for Mr. Koenig to lead our Board of Directors because of his broad experience with the Monroe Capital platform, day-to-day management and operation of other investment funds and his significant background in the financial services industry, as described above.

Our Board of Directors does not have a lead independent director. However, Mr. Allison, the chairman of the audit committee, is an independent director and acts as a liaison between the independent directors and management between meetings of our Board of Directors and is involved in the preparation of agendas for board

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and committee meetings. Our Board of Directors believes that its leadership structure is appropriate in light of the Company's characteristics and circumstances because the structure allocates areas of responsibility among the individual directors and the committees in a manner that encourages effective oversight. The members of our Board of Directors also believe that its small size creates a highly efficient governance structure that provides ample opportunity for direct communication and interaction between both the members of management and our Investment Advisor and our Board of Directors.

Board Role in Risk Oversight

The Board of Directors performs its risk oversight function primarily through (a) its two standing committees, which report to the entire Board of Directors and are comprised solely of independent directors and (b) monitoring by the Company's Chief Compliance Officer in accordance with its compliance policies and procedures.

As described below in more detail under **Audit Committee** and **Nominating and Corporate Governance Committee**, the audit committee and the nominating and corporate governance committee assi