October 30, 2011

SEC-Required Report on Routing of Customer Orders for Quarter ending September 31, 2011

Monarch Capital Group, Inc. has prepared this report pursuant to a U.S. Securities and Exchange Commission rule requiring all brokerage firms to make publicly available quarterly reports on their order routing practices. The report provides information on the routing of “non-directed orders”— any order that the customer has not specifically instructed to be routed to a particular venue for execution. For these non-directed orders, Monarch Capital has selected the execution venue on behalf of its customers.

The report is divided into four sections: one for securities listed on the New York Stock Exchange and reported as a Network A eligible security; one for securities listed on The Nasdaq Stock Market; one for securities listed on the American Stock Exchange or regional exchanges and reported as a Network B eligible security; and one for exchange-listed options. For each section, this report identifies the venues most often selected by Monarch Capital, sets forth the percentage of various types of orders routed to the venues, and discusses the material aspects of Monarch Capital’s relationship with the venues.

Securities Listed on New York Stock Exchange/Network A Eligible Securities

	Total	Total Market Orders	Total Limit Orders	Total Other Orders
Top Venues Percentage of Non-Directed Orders				
1. KNIGHT CAPITAL MARKETS INC.	60.5 %	18.2 %	61.3 %	0.0 %
2. PERSHING LLC	30.0 %	54.5 %	29.6 %	0.0 %
Summary Statistics	**100.0 %**	**1.7 %**	**98.2 %**	**0.1 %**

Material aspects of Relationship with Venues:

1. Pershing is the clearing firm for Monarch Capital Group, LLC beginning mid-September 2009. As such, Monarch enters orders electronically into Neovest and NetX360, proprietary trading systems developed and owned by Pershing. Pershing then routs orders internally and independent of Monarch Capital Group, LLC;

2. Pershing will charge Monarch Capital Group LLC $0.003 per share on round lot orders that take liquidity from the ArcaEx Book and will pay Monarch Capital Group LLC $0.002 per share on round lot orders residing in the ArcaEx Book that execute against inbound marketable orders.

Securities Listed on American Stock Exchange or Regional Exchanges/Network B Eligible Security

	Total	Total Market Orders	Total Limit Orders	Total Other Orders
Top Venues Percentage of Non-Directed Orders				
1. PERSHING LLC	56.7 %	0.0 %	57.3 %	0.0 %
2. NASDAQ EXCHANGE	13.9 %	0.0 %	14.1 %	0.0 %
3. UBS SECURITIES	10.9 %	0.0 %	11.1 %	0.0 %
4. KNIGHT CAPITAL MARKETS INC.	8.0 %	0.0 %	8.0 %	0.0 %
5. CITADEL DERIVATIVES GROUP	7.0 %	50.0 %	6.5 %	0.0 %
Summary Statistics	**100.0 %**	**1.0 %**	**99.0 %**	**0.0 %**

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Securities Listed on NASDAQ Stock Market

Top Venues Percentage of Non-Directed Orders	Total	Total Market Orders	Total Limit Orders	Total Other Orders
1. KNIGHT EQUITY MARKETS L.P.	40.5 %	14.3 %	41.0 %	0.0 %
2. PERSHING LLC	27.4 %	85.7 %	26.3 %	0.0 %
3. NASDAQ EXCHANGE	26.1 %	0.0 %	26.5 %	0.0 %
4. UBS SECURITIES	5.3 %	6.3 %	5.4 %	0.0 %
Summary Statistics	**100.0 %**	**1.8 %**	**98.2 %**	**0.0 %**

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Exchange-Listed Options

Top Venues Percentage of Non-Directed Orders	Total	Total Market Orders	Total Limit Orders	Total Other Orders
1. NASDAQ EXCHANGE	41.2 %	0.0 %	41.2 %	0.0 %
2. NYSE ARCA EXCHANGE	31.1 %	0.0 %	31.1 %	0.0 %
3. NASDAQ OMX PHLX	10.1 %	0.0 %	10.1 %	0.0 %
4. CHICAGO BOARD OPTIONS EXCNGE	5.9 %	0.0 %	5.9 %	0.0 %
5. NYSE AMEX EXCHANGE	5.9 %	0.0 %	5.9 %	0.0 %
6. BATS EXCHANGE	5.9 %		5.9 %	
Summary Statistics	**100.0 %**	**0.0 %**	**100.0 %**	**0.0 %**

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