

FORM ADV – PART II
Uniform Application For Investment Adviser Registration

FORM ADV

Uniform Application for Investment Adviser Registration

Part II - Page 1

OMB APPROVAL
OMB Number: 3235-0049

Name of Investment Adviser: Signia Capital Management, LLC				
Address: (Number and Street)	(City)	(State)	(Zip Code)	Area Code: Telephone Number:
108 N. Washington St., Suite 305	Spokane	WA	99201	(509) 789-8970

**This part of Form ADV gives information about the investment adviser and its business for the use of clients.
The information has not been approved or verified by any government authority.**

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Definitions for Part II

Related person - Any officer, director or partner of applicant or any person directly or indirectly controlling, controlled by, or

(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

Potential persons who are to respond to the collection of information contained in this form
Are not required to respond unless the form displays a currently valid OMB control number.

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under common control with the applicant, including any non-clerical, non-ministerial employee.

Investment Supervisory Services - Giving continuous investment advice to a client (or making investments for the client) based on the individual needs of the client. Individual needs include, for example, the nature of other client assets and the client's personal and family obligations.

1.	<p>A. Advisory Services and Fees. (check the applicable boxes)</p> <p>Applicant:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%;"><input checked="" type="checkbox"/></td> <td style="width: 75%;">(1) Provides investment supervisory services</td> <td style="width: 20%; text-align: right;">100 %</td> </tr> <tr> <td><input type="checkbox"/></td> <td>(2) Manages investment advisory accounts not involving investment supervisory services</td> <td style="text-align: right;">%</td> </tr> <tr> <td><input type="checkbox"/></td> <td>(3) Furnishes investment advice through consultations not included in either service described above</td> <td style="text-align: right;">%</td> </tr> <tr> <td><input type="checkbox"/></td> <td>(4) Issues periodicals about securities by subscription</td> <td style="text-align: right;">%</td> </tr> <tr> <td><input type="checkbox"/></td> <td>(5) Issues special reports about securities not included in any service described above</td> <td style="text-align: right;">%</td> </tr> <tr> <td><input type="checkbox"/></td> <td>(6) Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities</td> <td style="text-align: right;">%</td> </tr> <tr> <td><input type="checkbox"/></td> <td>(7) On more than an occasional basis, furnishes advice to clients on matters not involving securities</td> <td style="text-align: right;">%</td> </tr> <tr> <td><input type="checkbox"/></td> <td>(8) Provides a timing service</td> <td style="text-align: right;">%</td> </tr> <tr> <td><input type="checkbox"/></td> <td>(9) Furnishes advice about securities in any manner not described above</td> <td style="text-align: right;">%</td> </tr> </table> <p style="text-align: center;">(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)</p>	<input checked="" type="checkbox"/>	(1) Provides investment supervisory services	100 %	<input type="checkbox"/>	(2) Manages investment advisory accounts not involving investment supervisory services	%	<input type="checkbox"/>	(3) Furnishes investment advice through consultations not included in either service described above	%	<input type="checkbox"/>	(4) Issues periodicals about securities by subscription	%	<input type="checkbox"/>	(5) Issues special reports about securities not included in any service described above	%	<input type="checkbox"/>	(6) Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities	%	<input type="checkbox"/>	(7) On more than an occasional basis, furnishes advice to clients on matters not involving securities	%	<input type="checkbox"/>	(8) Provides a timing service	%	<input type="checkbox"/>	(9) Furnishes advice about securities in any manner not described above	%	<p>For each type of service provided, state the approximate % of total advisory billings from that service. (See instruction below.)</p>
<input checked="" type="checkbox"/>	(1) Provides investment supervisory services	100 %																											
<input type="checkbox"/>	(2) Manages investment advisory accounts not involving investment supervisory services	%																											
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<input type="checkbox"/>	(8) Provides a timing service	%																											
<input type="checkbox"/>	(9) Furnishes advice about securities in any manner not described above	%																											
	<p>B. Does the applicant call any of the services it checked above financial planning or some similar term?</p>	<table style="border: none;"> <tr> <td style="text-align: center;">Yes</td> <td style="text-align: center;">No</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> </tr> </table>	Yes	No	<input type="checkbox"/>	<input checked="" type="checkbox"/>																							
Yes	No																												
<input type="checkbox"/>	<input checked="" type="checkbox"/>																												
	<p>C. Applicant offers investment advisory services for: (check all that apply):</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <input checked="" type="checkbox"/> (1) A percentage of assets under management <input type="checkbox"/> (2) Hourly charges <input type="checkbox"/> (3) Fixed fees (not including subscription fees) </td> <td style="width: 50%; vertical-align: top;"> <input type="checkbox"/> (4) Subscription fees <input type="checkbox"/> (5) Commissions <input checked="" type="checkbox"/> (6) Other </td> </tr> </table>		<input checked="" type="checkbox"/> (1) A percentage of assets under management <input type="checkbox"/> (2) Hourly charges <input type="checkbox"/> (3) Fixed fees (not including subscription fees)	<input type="checkbox"/> (4) Subscription fees <input type="checkbox"/> (5) Commissions <input checked="" type="checkbox"/> (6) Other																									
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	<p>D. For each checked box in A above, describe on Schedule F:</p> <ul style="list-style-type: none"> • the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee • applicant's basic fee schedule, how fees are charged and whether its fees are negotiable • when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date 																												
2.	<p>Types of Clients - Applicant generally provides investment advice to: (check those that apply)</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <input checked="" type="checkbox"/> A. Individuals <input type="checkbox"/> B. Banks or thrift institutions <input checked="" type="checkbox"/> C. Investment companies <input checked="" type="checkbox"/> D. Pension and profit sharing plans </td> <td style="width: 50%; vertical-align: top;"> <input checked="" type="checkbox"/> E. Trusts, estates, or charitable organizations <input checked="" type="checkbox"/> F. Corporations or business entities other than those listed above <input type="checkbox"/> G. Other (describe on Schedule F) </td> </tr> </table>		<input checked="" type="checkbox"/> A. Individuals <input type="checkbox"/> B. Banks or thrift institutions <input checked="" type="checkbox"/> C. Investment companies <input checked="" type="checkbox"/> D. Pension and profit sharing plans	<input checked="" type="checkbox"/> E. Trusts, estates, or charitable organizations <input checked="" type="checkbox"/> F. Corporations or business entities other than those listed above <input type="checkbox"/> G. Other (describe on Schedule F)																									
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Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

3. Types of Investments. Applicant offers advice on the following: (check those that apply)

- | | |
|--|--|
| <input checked="" type="checkbox"/> A. Equity Securities
(1) exchange-listed securities
<input checked="" type="checkbox"/> (2) securities traded over-the-counter
<input checked="" type="checkbox"/> (3) foreign issues | <input type="checkbox"/> H. United States government securities |
| <input type="checkbox"/> B. Warrants | <input type="checkbox"/> I. Options contracts on:
(1) securities
<input type="checkbox"/> (2) commodities |
| <input type="checkbox"/> C. Corporate debt securities
(other than commercial paper) | <input type="checkbox"/> J. Futures contracts on:
(1) tangibles
<input type="checkbox"/> (2) intangibles |
| <input type="checkbox"/> D. Commercial paper | <input type="checkbox"/> K. Interests in partnerships investing in:
(1) real estate
<input type="checkbox"/> (2) oil and gas interests
<input type="checkbox"/> (3) other (explain on Schedule F) |
| <input type="checkbox"/> E. Certificates of deposit | <input type="checkbox"/> L. Other (explain on Schedule F) |
| <input type="checkbox"/> F. Municipal securities | |
| <input type="checkbox"/> G. Investment company securities
(1) variable life insurance
<input type="checkbox"/> (2) variable annuities
<input checked="" type="checkbox"/> (3) mutual fund shares | |

4. Methods of Analysis, Sources of Information, and Investment Strategies.

A. Applicant's security analysis methods include: (check those that apply)

- | | |
|---|--|
| (1) <input type="checkbox"/> Charting | (4) <input checked="" type="checkbox"/> Cyclical |
| (2) <input checked="" type="checkbox"/> Fundamental | (5) <input type="checkbox"/> Other (explain on Schedule F) |
| (3) <input checked="" type="checkbox"/> Technical | |

B. The main sources of information applicant uses include: (check those that apply)

- | | |
|---|---|
| (1) <input checked="" type="checkbox"/> Financial newspapers and magazines | (5) <input type="checkbox"/> Timing services |
| (2) <input checked="" type="checkbox"/> Inspections of corporate activities | (6) <input checked="" type="checkbox"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | (7) <input checked="" type="checkbox"/> Company press releases |
| (4) <input type="checkbox"/> Corporate rating services | (8) <input type="checkbox"/> Other (explain on Schedule F) |

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- | | |
|--|--|
| (1) <input checked="" type="checkbox"/> Long term purchases
(securities held at least a year) | (5) <input type="checkbox"/> Margin transactions |
| (2) <input checked="" type="checkbox"/> Short term purchases
(securities sold within a year) | (6) <input type="checkbox"/> Option writing, including covered options,
uncovered options or spreading strategies |
| (3) <input type="checkbox"/> Trading (securities sold within 30 days) | (7) <input type="checkbox"/> Other (explain on Schedule F) |
| (4) <input type="checkbox"/> Short sales | |

Applicant: Signia Capital Management, LLC	SEC File Number: 801 - 62885	Date: March 13, 2009
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5. Education and Business Standards.

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients? Yes No

(If yes, describe these standards on Schedule F.)

6. Education and Business Background.

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- name
- year of birth
- formal education after high school
- business background for the preceding five years

7. Other Business Activities. (check those that apply)

A. Applicant is actively engaged in a business other than giving investment advice.

B. Applicant sells products or services other than investment advice to clients.

C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

8. Other Financial Industry Activities or Affiliations. (check those that apply)

A. Applicant is registered (or has an application pending) as a securities broker-dealer.

B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.

C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:

<input type="checkbox"/> (1) broker-dealer	<input type="checkbox"/> (7) accounting firm
<input type="checkbox"/> (2) investment company	<input type="checkbox"/> (8) law firm
<input type="checkbox"/> (3) other investment adviser	<input type="checkbox"/> (9) insurance company or agency
<input type="checkbox"/> (4) financial planning firm	<input type="checkbox"/> (10) pension consultant
<input type="checkbox"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant	<input type="checkbox"/> (11) real estate broker or dealer
<input type="checkbox"/> (6) banking or thrift institution	<input type="checkbox"/> (12) entity that creates or packages limited partnerships

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest? Yes No

(If yes, describe on Schedule F the partnerships and what they invest in.)

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

9. Participation or Interest in Client Transactions.

Applicant or a related person: (check those that apply)

- A. As principal, buys securities for itself from or sells securities it owns to any client.
- B. As broker or agent effects securities transactions for compensation for any client.
- C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

10. Conditions for Managing Accounts. Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services *and* impose a minimum dollar value of assets or other conditions for starting or maintaining an account? Yes No

(If yes, describe on Schedule F.)

11. Review of Accounts. If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

A. Describe below the reviews and reviewers of the accounts. For reviews, include their frequency, different levels, and triggering factors. For reviewers, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

The underlying securities in client’s accounts are continuously monitored by three portfolio managers; asset allocation, cash management, market prospects and individual issue prospects are considered. Particular attention is given to changes in company earnings, industry outlook, market outlook and price levels.

Client’s accounts are reviewed at least weekly by three portfolio managers. A report detailing the holdings of each account is distributed by the trader to each portfolio manager. Accounts are compared and adjusted to the appropriate product model.

B. Describe below the nature and frequency of regular reports to clients on their accounts.

Quarterly – Letter to clients stating performance for the quarter.

Annually – Letter to clients stating annual performance and investment outlook.

12. Investment or Brokerage Discretion.

- A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:
- | | | |
|---|-------------------------------------|--------------------------|
| (1) securities to be bought or sold? | Yes | No |
| | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (2) amount of the securities to be bought or sold ? | Yes | No |
| | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (3) broker or dealer to be used ? | Yes | No |
| | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (4) commission rates paid? | Yes | No |
| | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

- B. Does applicant or a related person suggest brokers to clients? Yes No

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant’s accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for products and research services received.

13. Additional Compensation.

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? Yes No
- B. directly or indirectly compensates any person for client referrals? Yes No

(For each yes, describe the arrangements on Schedule F.)

14. Balance Sheet. Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities; or
 - requires prepayment of more than \$500 in fees per client and 6 or more months in advance
- Has applicant provided a Schedule G balance sheet? Yes No

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**Schedule F of
FORM ADV
Continuation Sheet for Form ADV
Part II**

Registrant: Signia Capital Management, LLC	SEC File Number: 801 - 62885	Date: 03/13/2009
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of Registrant exactly as stated in Item 1A of Part I of Form ADV: Signia Capital Management, LLC	IRS Empl. Ident. No.: 94-3383030
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Item of Form (identify)	Answer
Notice of Privacy Policy	<p>Registrant collects non-public personal information about its clients from the following sources:</p> <ul style="list-style-type: none"> • Information received from clients on applications or other forms; • Information about clients' transactions with Registrant, its affiliates or others; and • Information received from consumer reporting agencies. <p>Registrant does not disclose any non-public personal information about its clients or former clients to anyone, except as permitted by law. Registrant restricts access to non-public personal information about its clients to its employees who need to know that information to provide services to clients. Registrant maintains physical, electronic and procedural safeguards that comply with federal standards to guard clients' personal information.</p>
Notice of Proxy Voting Policy	<p>Registrant votes all proxies on behalf of each account over which it has proxy voting authority based on its determination of the best interests of that client's account. Signia contracts the services of Broadridge in the proxy voting process. Signia will only vote proxies for which the proxy materials and related communications are received in a timely manner. In determining whether a proposal serves the best interests of a client's account, Registrant considers a number of factors, including the economic effect of the proposal on shareholder value, the threat posed by the proposal to existing rights of shareholders, the dilution of existing shares that would result from the proposal, the effect of the proposal on management or director accountability to shareholders, and, if the proposal is a shareholder initiative, whether it wastes time and resources of the company or reflects the grievance of one individual.</p> <p>If a material conflict of interest over proxy voting arises between Registrant and a client, Registrant will vote all proxies in accordance with the policy described above. If Registrant determines that this policy does not adequately address the conflict of interest, Registrant will notify the client of the conflict and request that the client consent to Registrant's intended response to the proxy solicitation. If the client consents to Registrant's intended response or fails to respond to the notice within a reasonable period of time specified in the notice, Registrant will vote the proxy as</p>

Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
FORM ADV
Continuation Sheet for Form ADV
Part II**

Registrant: Signia Capital Management, LLC	SEC File Number: 801 - 62885	Date: 03/13/2009
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of Registrant exactly as stated in Item 1A of Part I of Form ADV: Signia Capital Management, LLC	IRS Empl. Ident. No.: 94-3383030
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Item of Form (identify)	Answer
	<p>described in the notice. If the client objects to Registrant's intended response, Registrant will vote the proxy as directed by the client.</p> <p>A client can obtain a copy of Registrant's proxy voting policy and a record of votes cast by Registrant on behalf of that client by contacting David C. Krebs at (509) 789-8977.</p>
Part II Page 2 Item 1.C	<p>Registrant does provide service for a "Performance Based" fee. This fee schedule is based on a percentage of assets under management. The fee percentage has a fixed percentage plus an additional percentage based on the incentive plan. The incentive plan increases the fee percentage based on a target excess return over that of an appropriate index. The index will be chosen by the Registrant and the client based on the nature of the investment strategy to be used.</p> <p>The fees to be charged for this service will be determined by the client's individual circumstances and will never exceed one percent annually of assets under management. The actual fees will be disclosed to the client before entering into this type of arrangement. The percentage of assets under management will be billed quarterly, in arrears. To qualify for this type of fee schedule, a client must either demonstrate a net worth of at least \$1,500,000 or must have at least \$750,000 under management.</p> <p>Clients who elect to terminate their contracts will be charged a performance-based fee based on the performance of the account for the measuring period going back from the termination date and pro-rated from the date on which the performance-based fee was last assessed.</p> <p>The performance-based fee may create an incentive for the Registrant to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement.</p> <p>The client must understand the proposed method of compensation and its risks prior to entering into the contract.</p> <p>Performance-Based Fees will only be charged in accordance with the provisions of</p>

Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
FORM ADV
Continuation Sheet for Form ADV
Part II**

Registrant: Signia Capital Management, LLC	SEC File Number: 801 - 62885	Date: 03/13/2009
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of Registrant exactly as stated in Item 1A of Part I of Form ADV: Signia Capital Management, LLC	IRS Empl. Ident. No.: 94-3383030
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Item of Form (identify)	Answer
	reg. 205-3 of the Investment Advisers Act of 1940 and/or applicable state regulations. The fees will not be offered to any client residing in a state in which such fees are prohibited.
Part II Page 2 Item 1.D	<p>Registrant is an independent money-management firm founded on January 1, 2001 San Francisco, California. In July of 2004 the firm moved its headquarters to Spokane, Washington. The firm was founded by the investment professionals who serve as managing partners.</p> <p><u>Investment Approach</u> Research shows that natural human psychology leads investors to project current information too far into the future. In other words, when companies experience difficult times, investors become disillusioned and assume these difficulties will persist far longer than they typically do. This behavioral bias creates substantial investment opportunities. Signia has designed a value-based investment process to focus intently on such situations, and systematically capitalize on these expectational errors.</p> <p><u>Investment ideas</u> The internal screening process focuses on identifying companies at the intersection of three important criteria: a) Low Valuation: low price-to-book; low price-to-sales; low price-to-cash flow; and other relevant valuation metrics. b) High Quality: proven businesses and conservative capital structures (low debt-to-capital, high interest coverage and other measures of financial strength). c) Identifiable Catalysts: cyclical, industry and company specific. Outside sources include investor conferences, industry publications, Wall Street research and conversations with industry experts, suppliers, customers, and competitors. Each of our four research analysts/portfolio managers specialize in specific industries and sectors.</p> <p><u>Research</u> Once we identify a company that meets our criteria, the in-depth research begins. We evaluate management quality, corporate strategy, industry conditions, and specific catalysts that will rekindle investor interest. Another important part of the research process is the evaluation of company financial statements. We find that valuable</p>

Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
FORM ADV
Continuation Sheet for Form ADV
Part II**

Registrant: Signia Capital Management, LLC	SEC File Number: 801 - 62885	Date: 03/13/2009
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of Registrant exactly as stated in Item 1A of Part I of Form ADV: Signia Capital Management, LLC	IRS Empl. Ident. No.: 94-3383030
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Item of Form (identify)	Answer
	<p>insight can be gained by carefully scrutinizing all available financial information.</p> <p><u>Portfolio Construction</u> The portfolio management team constantly looks for the fifty five to sixty five best companies that meet our screening criteria and have the highest potential investment performance. All of the buy and sell decisions are based on the relationship between the market price and our estimate of the intrinsic value of a company. The Registrant is highly price sensitive and often phases into and out of positions over a thirty to ninety day period. Registrant provides investment advice and management to individually managed accounts in both direct and sub-advisory agreements. Registrant holds a limited power of attorney to act on a discretionary basis with client funds. Client funds are deposited in either a brokerage firm or a bank custodian account. Each client completes a written document selecting the investment product with guidelines to managing their account including any reasonable restrictions. A model is used for each investment product.</p> <p>The underlying securities in client's accounts are continuously monitored by three portfolio managers; asset allocation, cash management, market prospects and individual issue prospects are considered. Particular attention is given to changes in company earnings, industry outlook, market outlook and price levels. Client's accounts are reviewed at least weekly by three portfolio managers. A report detailing the holdings of each account is distributed by the trader to each portfolio manager. Accounts are compared and adjusted to the appropriate product model.</p> <p>The fee schedule is based on a percentage of assets under management, payable at in arrears or at the beginning of each calendar quarter based on the net market value of the account when the fee accrues and becomes payable. The standard fee is one percent of the assets under management. Fees are negotiable and varies based on the size and type of the investment. Registrant may grant Most Favored Nation status to certain clients at its discretion. Registrant believes that its fees are competitive with fees charged by other investment advisers for comparable services. Comparable services may be available, however, from other sources for lower fees than those charged by Registrant. Registrant's fees are separate from any fees charged by a mutual fund held in a client's account. Accounts comming through Broker's Managed Accounts programs are subject to additional fees charged by the broker.</p>

Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
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Continuation Sheet for Form ADV
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Registrant: Signia Capital Management, LLC	SEC File Number: 801 - 62885	Date: 03/13/2009
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

I. Full name of Registrant exactly as stated in Item 1A of Part I of Form ADV: Signia Capital Management, LLC	IRS Empl. Ident. No.: 94-3383030
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Item of Form (identify)	Answer
	Except as may be otherwise negotiated in particular cases, a client may terminate an account by giving thirty days' written notice. In all cases, expenses and the pro rata portion of the quarterly fee through the date of termination are charged to the client. All prepaid but unearned advisory fees are refunded to the client on termination of an account.
Part II Page 4 Item 6	<p>Tony Lewis Bennett, born September 15, 1970</p> <p><u>Education</u> 2004 Chartered Financial Analyst Designation 1994-1997 Gonzaga University, Spokane, WA; B.B.A., Finance 1992-1994 Yakima Valley College, Yakima, WA</p> <p><u>Business Background</u> 2001–Present Signia Capital Management, LLC, Walnut Creek, CA; Portfolio Manager 04/00-12/00 Signia Ventures, L.P. San Mateo, CA; Research Director 1997-2000 ICM Asset Management, Inc., Spokane, WA; Equity Research Analyst 1995-1997 D.A. Davidson & Co., Spokane, WA; Associate</p> <p>Daniel Edward Cronen, born March 6, 1974</p> <p><u>Education</u> 2002 Chartered Financial Analyst Designation 1996-1998 Gonzaga University, Spokane, WA; M.B.A., Finance 1992-1996 Gonzaga University, Spokane, WA; B.B.A., Finance</p> <p><u>Business Background</u> 2001–Present Signia Capital Management, LLC, Walnut Creek, CA; Portfolio Manager 1997-2000 ICM Asset Management, Inc., Spokane, WA; Equity Research Analyst/Associate Portfolio Representative</p>

Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
FORM ADV
Continuation Sheet for Form ADV
Part II**

Registrant: Signia Capital Management, LLC	SEC File Number: 801 - 62885	Date: 03/13/2009
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of Registrant exactly as stated in Item 1A of Part I of Form ADV: Signia Capital Management, LLC	IRS Empl. Ident. No.: 94-3383030
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Item of Form (identify)	Answer
	<p>Richard Scott Beaven, born September 27, 1967</p> <p><u>Education</u></p> <p>1999 Chartered Financial Analyst Designation 1991-1994 Gonzaga University, Spokane, WA; M.B.A., Finance 1986-1990 University of Kentucky, Lexington, KY; B.B.A., Management 1985-1986 Washington State University, Pullman, WA</p> <p><u>Business Background</u></p> <p>04/02-Present Signia Capital Management, LLC, Walnut Creek, CA; Portfolio Manager/Principal 08/95-03/02 ICM Asset Management, Inc., Spokane, WA; Assistant Research Director/Portfolio Manager</p> <p>Steven King Neff, born March 13, 1949</p> <p><u>Education</u></p> <p>1996 Certified Investment Management Analyst 1967-1971 University of Nebraska at Kearney, Kearney, NE; B.S. Business</p> <p><u>Business Background</u></p> <p>09/04-Present Signia Capital Management, LLC, Spokane, WA; Principal 1989-08/04 ICM Asset Management, Inc., Spokane, WA; Senior Vice President</p> <p>David Carl Krebs, born December 30, 1959</p> <p><u>Education</u></p> <p>2008 Certified Securities Compliance Professional 2006 Registered Advisor Representative – Series 65 1978-1982 Eastern Washington University, Cheney, WA; BA</p> <p><u>Business Background</u></p> <p>11/04-Present Signia Capital Management, LLC, Spokane, WA; Chief Compliance Officer / Operations Manager 2001-10/04 ICM Asset Management, Inc., Spokane, WA; Network Administrator / Database Administrator</p>

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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

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Part II Page 5 Item 9.E	<p>The Registrant has adopted a Code of Ethics that includes the following principles governing personal investment activities by all supervised and access persons. The Code of Ethics is predicated on the principle that Registrant owes a fiduciary duty to its Clients.¹ Accordingly, Employees must avoid activities, interests and relationships that run contrary (or appear to run contrary) to the best interests of Clients. At all times, Registrant will be mindful to:</p> <ul style="list-style-type: none"> • <i>Place client interests ahead of Registrant's</i> – As a fiduciary, Registrant will serve in its Clients' best interests. In other words, Employees may not benefit at the expense of Clients. • <i>Engage in personal investing that is in full compliance with Registrant's Code of Ethics</i> – Employees must review and abide by Registrant's Personal Securities Transaction and Insider Trading Policies. • <i>Avoid taking advantage of your position</i> – Employees must not accept investment opportunities, gifts or other gratuities from individuals seeking to conduct business with Registrant, or on behalf of a Client, unless in compliance with the Gift Policy below. • <i>Maintain full compliance with the Federal Securities Laws</i> – Employees must abide by the standards set forth in Rule 204A-1 under the Advisers Act and Rule 17j-1 under the IC Act. In addition, Registrant Employees who are Officers of a RIC must also abide by the Fund's Officer Code of Conduct that is established by the investment company. <p>Registrant's Code of Ethics also requires Employees to: 1) pre-clear certain personal securities transactions, 2) report personal securities transactions on at least a quarterly basis, and 3) provide the Registrant with a detailed summary of certain holdings (both initially upon commencement of employment and annually thereafter) over which such Employees have a direct or indirect beneficial interest.</p> <p>A client can obtain a copy of Registrant's Code of Ethics by contacting the Chief Compliance Officer at (509) 789-8977.</p>

¹ S.E.C. v. Capital Gains Research, Inc., 375 U.S. at 191-192 (1963).

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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

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Item of Form (identify)	Answer
Part II Page 5 Item 10	Registrant generally requires a minimum investment of \$250,000 to open an individually managed account. This minimum may be waived by Registrant in its discretion.
Part II Page 6 Item 12	<p>Registrant has complete discretion over the selection and amount of securities to be bought or sold for client accounts without obtaining specific client consent. Because Registrant engages in an investment advisory business and manages more than one account, there may be conflicts of interest over Registrant's time devoted to managing any one account and the allocation of investment opportunities among all accounts managed by Registrant. Registrant attempts to resolve all such conflicts in a manner that is generally fair to all of its clients. Registrant may give advice and take action with respect to any of its clients that may differ from advice given or the timing or nature of action taken with respect to any particular client so long as it is the Registrant's policy, to the extent practicable, to allocate investment opportunities over a period of time on a fair and equitable basis relative to other clients. Registrant is not obligated to acquire for any account any security that Registrant or its officers, managers, members or employees may acquire for its or their own accounts or for the account of any other client, if in the absolute discretion of Registrant, it is not practical or desirable to acquire a position in such security for that account.</p> <p>Registrant also has complete discretion over the selection of the broker to be used and the commission rates to be paid. In selecting a broker for any transaction or series of transactions, Registrant may consider a number of factors, including, for example, net price, clearance, settlement, reputation, financial strength and stability, efficiency of execution and error resolution, block trading and block positioning capabilities, willingness to execute related or unrelated difficult transactions in the future, order of call, offering to Registrant on-line access to computerized data regarding clients' accounts, computer trading systems and other matters involved in the receipt of brokerage services generally. Registrant may also purchase from a broker or allow a broker to pay for certain research products and services (a "soft dollar" relationship). These research products and services include online access to financial news and research, terminal to financial news and research, and a search engine for socially responsible investments.</p> <p>Registrant may aggregate securities sale and purchase orders for a client with similar orders being made contemporaneously for other accounts managed by Registrant or</p>

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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

I. Full name of Registrant exactly as stated in Item 1A of Part I of Form ADV: Signia Capital Management, LLC	IRS Empl. Ident. No.: 94-3383030
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Item of Form (identify)	Answer
	<p>with accounts of affiliates of Registrant. Transactions in the same security for multiple client accounts will be aggregated into two primary groups. The first group “Discretionary Brokerage” will include client accounts which give discretion to Signia to select the executing broker or allow us to “Step-Out” trades and deliver them into the client’s account. Signia uses a simple rotation method to ensure that no individual account has an advantage. The second group, “Directed Brokerage”, will be aggregated into blocks of accounts based on the broker we have been directed to use. We will use a simple rotation method to ensure that no single broker’s block of accounts has an advantage.</p> <p>In the event of aggregated transactions, each client may be charged or credited, as the case may be, the average transaction price of all securities purchased or sold in such transactions. As a result, however, the price may be less favorable to the client than it would be if similar transactions were not being executed concurrently for other accounts.</p> <p>If a client directs Registrant to use a specific broker, Registrant has not negotiated the terms and conditions (including, but not limited to, commission rates) relating to the services provided by such broker. Registrant does not have any responsibility for obtaining for the client from any such broker the best prices or particular commission rates. The client may not obtain rates as low as it might otherwise obtain if Registrant had discretion to select broker-dealers other than those chosen by the client. In addition, the client will not participate in aggregate securities transactions, as described above, and will trade after such aggregate transactions and may not receive best execution.</p>
Part II Page 6 Item 12.B	An account may pay higher brokerage commissions than the Registrant may otherwise be able to negotiate, or may pay more brokerage commissions based on account trading activity. The research and other benefits resulting from a brokerage relationship benefit all accounts managed by Registrant or Registrant’s operations as a whole, including clients who direct Registrant to use brokers that do not provide Registrant with soft dollar services.
Part II Page 6 Item 13	Registrant may receive soft dollar credits based on agency securities transactions with brokerage firms or direct a brokerage firm that executes transactions to share some of its commissions with a brokerage firm that provides soft dollar benefits to Registrant. Registrant will only use soft dollars to pay for products and services that fall within

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Item of Form (identify)	Answer
	<p>the definition of “eligible research” under Section 28(e) of the Exchange Act of 1934 (the “Exchange Act”). Brokers providing soft dollar products or services may include brokers that execute agency transactions for Registrant’s clients.</p> <p>Registrant may pay a brokerage commission in excess of that which another broker might charge for effecting the same transaction in recognition of the value of the brokerage, research, other services and soft dollar relationships provided by that broker. In such a case, however, Registrant determines in good faith that such commission is reasonable in relation to the value of such brokerage, research, other services and soft dollar relationships, viewed in terms of either the specific transaction or Registrant’s overall responsibilities to the portfolios over which it exercises investment authority. An account may, however, pay higher brokerage commissions than the Registrant may otherwise be able to negotiate, or may pay more brokerage commissions based on account trading activity. In addition, the research and other benefits resulting from a brokerage relationship benefit all accounts managed by Registrant or Registrant’s operations as a whole, including clients who direct Registrant to use brokers that do not provide Registrant with soft dollar services.</p> <p>Registrant’s relationships with brokerage firms that provide soft dollar services influence Registrant’s judgment and create conflicts of interest in allocating brokerage business between firms that provide soft dollar services and firms that do not. These conflicts of interest are particularly influential to the extent that Registrant uses soft dollars to pay expenses it otherwise would be required to pay itself.</p> <p>Subject to best execution considerations, Registrant may direct client transactions to certain broker-dealers from which Registrant receive research products or services. Registrant will use soft dollar credits generated from client commissions to obtain only those research products or services that fall within the “safe harbor” of Section 28(e) of the Exchange Act. Signia has established guidelines to effectuate and monitor such soft dollar arrangements and to ensure any products and services received through such arrangements are eligible research under Section 28(e) of the Exchange Act. No soft dollar arrangement may be entered into by Employees without the prior approval of the CCO.</p>

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