REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors
StoneCastle Financial Corp.
New York, New York

In planning and performing our audits of the financial statements of StoneCastle Financial Corp. (the "Company") as of and for the year ended December 31, 2015, in accordance with the standards of the Public Company Accounting Oversight Board (United States), we considered its internal control over financial reporting, including control activities for safeguarding securities, as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements and to comply with the requirements of Form N-SAR, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion.

The management of the Company is responsible for establishing and maintaining effective internal control over financial reporting. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls. A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America. Such internal control includes policies and procedures that provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of a company's assets that could have a material effect on the financial statements.

Because of inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the company's ability to initiate, authorize, record, process or report financial data reliably in accordance with accounting principles generally accepted in the United States of America such that there is more than a remote likelihood that a misstatement of the company's annual or interim financial statements that is more than inconsequential will not be prevented or detected. A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the annual or interim financial statements will not be prevented or detected.

Our consideration of the Company's internal control over financial reporting was for the limited purpose described in the first paragraph and would not necessarily disclose all deficiencies in internal control that might be significant deficiencies or material weaknesses under standards established by the Public Company Accounting Oversight Board (United States). However, we noted no deficiencies in the Company's internal control over financial reporting and its operation, including controls for safeguarding securities, which we consider to be material weaknesses, as defined above, as of December 31, 2015.

This report is intended solely for the information and use of management, Shareholders and Board of Directors of the Company and the Securities and Exchange Commission, and is not intended to be and should not be used by anyone other than these specified parties.

TAIT, WELLER & BAKER LLP

Philadelphia, Pennsylvania
February 25, 2016

StoneCastle Financial Corp.

Exhibit to Item 77K

Changes in Accountants

The Registrant, by action of its Board of Trustees taken on November 18, 2015 for the StoneCastle Financial Corp. (the "Company"), engaged Tait, Weller & Baker LLP ("Tait") as its independent registered public accounting firm to audit the Funds' financial statements for the fiscal year ended December 31, 2015. The decision to engage Tait was recommended by the Audit Committee at a Meeting held on November 18, 2015. Due to a proposed significant increase in fees with KPMG, a search was performed and Tait was selected as the new auditor.

The reports of KPMG on the financial statements of the Company for the fiscal year ended December 31, 2014 contained no adverse opinion or disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope or accounting principle. During the fiscal year ended December 31, 2014, there were no disagreements with KPMG on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreements if not resolved to the satisfaction of KPMG would have caused them to make reference thereto in their reports on the financial statements for such years. Furthermore, during the fiscal year ended December 31, 2014 and through November 18, 2015, there have been no reportable events (as defined in S-K 304(a)(1)(v)). The Registrant has requested that KPMG furnish it with a letter addressed to the SEC stating whether or not it agrees with the above statements. A copy of such letter, dated February 25, 2016, is filed as Exhibit 77 Q1(f) to this Form N-SAR.

During the Funds' most recent fiscal year, neither the Registrant nor anyone on its behalf has consulted KPMG, with respect to the Company, on items which (i) concerned the application of accounting principles to a specified transaction, either completed or proposed, or the type of audit opinion that might be rendered on Registrant's financial statements or (ii) concerned the subject of a disagreement (as defined in paragraph (a)(1)(iv) of Item 304 of Regulation S-K) or reportable events (as described in paragraph (a)(1)(v) of said Item 304).

February 29, 2016

Securities and Exchange Commission
Washington, D.C. 20549
Ladies and Gentlemen:

We were previously principal accountants for StoneCastle Financial Corp. (the "Company") and under the date of February 27, 2015, we reported on the financial statements of StoneCastle Financial Corp. as of December 31, 2014 and for the year then ended. On November 19, 2015, we were dismissed. We have read the statements made by the Company, which we understand will be filed with the Commission pursuant to Item 77K of Form N-SAR dated February 29, 2016 and we agree with such statements, except that we are not in a position to agree or disagree with the Company's statement that the change was approved by the board of directors and the audit committee and we are not in a position to agree or disagree with the Company's statement that TWB was not consulted regarding the application of accounting principles to a specified transaction or the type of audit opinion that might be rendered on the Company's financial statements, or the subject of a disagreement or reportable events.

Very truly yours,
/s/KPMG LLP