



Tax Status of 2015 Distributions

(Unaudited)

The information on distributions paid by StoneCastle Financial Corp. ("StoneCastle Financial" or the "Company") (CUSIP Number: 861780104) for 2015 is set forth below. For tax purposes, the Company is a regulated investment company ("RIC") and is designating the types of distributions you received as a stockholder in 2015 in accordance with Subchapter M of the Internal Revenue Code of 1986, as amended ("IRC"), in the following manner:

Taxability of 2015 Distributions

For the 2015 tax year, 13.4001% of each distribution paid in 2015 was determined to be a non-taxable distribution. Please see the schedule below for the details related to each distribution.

Payable Date	Total Paid Per share	Return of Capital % of Total Distribution	Return of Capital Per Share (Non-Taxable Distribution)	Taxable Income Per share	Taxable Income Eligible for QDI Treatment
1/2/2015	\$ 0.50	13.4001%	\$ 0.0670	\$ 0.4330	62.3200%
3/30/2015	0.50	13.4001%	\$ 0.0670	0.4330	62.3900%
6/29/2015	0.33	13.4001%	\$ 0.0442	0.2858	62.3900%
9/29/2015	0.33	13.4001%	\$ 0.0442	0.2858	62.3900%
Total	\$ 1.66		\$ 0.2224	\$ 1.4376	62.3900%

Note: The above table will be used in the preparation of Form 1099-DIV for each shareholder who received a distribution in 2015. The cash distribution as of record December 8, 2015 was paid on January 4, 2016 and will be reflected in the 2016 tax year 1099-DIV for shareholders of record.

A portion of the Company's distributions includes sources other than net investment income, including a return of capital. Investors should understand that a return of capital is not a distribution from income or gains of the Company. Distributions to shareholders in excess of income or gains may be treated as a return of capital to the extent of the shareholder's cost basis in the Company's common stock. For tax purposes, a return of capital generally represents a return of a shareholder's investment in the Company rather than a distribution of the Company's earnings. Any distribution that is treated as a return of capital generally will result in a reduction in basis in shareholder's shares, which may increase the capital gain, or reduce the capital loss, realized upon the sale of such shares. This information is not legal or tax advice. Consult a professional regarding your specific legal or tax matters.

Qualified Dividend Income (QDI)

For the 2015 tax year, 62.39% of the dividends indicated as taxable to each shareholder on their 1099-DIV are eligible for Qualified Dividend Income (QDI) treatment. Please see your 1099-DIV for the amounts applicable to you.

Disclaimer

StoneCastle Financial Corp is not a tax advisor. Please consult a tax advisor or review information on filing your taxes provided by the Internal Revenue Service at www.irs.gov.