

**ITEM 1
COVER PAGE**

PART 2A OF FORM ADV: FIRM BROCHURE

STAMOS CAPITAL PARTNERS, L.P.

December 12, 2013

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This Brochure provides information about the qualifications and business practices of Stamos Capital Partners, L.P. (“Stamos Capital”) any questions about the contents of this Brochure, please contact us at (212) 287-2800 or info@StamosCapital.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about Stamos Capital also is available on the SEC’s website at www.adviserinfo.sec.gov.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

ITEM 2

MATERIAL CHANGES

Item 2 discusses only specific material changes that are made to this Brochure and provides Clients (as defined herein) with a summary of such changes.

Since the last annual update of Stamos Capital Partners, L.P.'s ("Stamos Capital") Form ADV Part 2A, Stamos Capital and Stamos Capital Associates, L.L.C. (together, the "Firm") have repurchased all of the interests in the Firm previously held by investors affiliated with Bank of America Corporation and Sterling Equities (the "Management Buyout"). We believe that it is in the best interest of our funds, fund investors, and managed account clients for the Firm's management team to own a significant majority of the Firm's equity. Although we have had a long relationship with each of the departing investors in the Firm, the repurchase of their equity in the Firm does not affect how we manage the investments of the funds and managed accounts or the Firm's day-to-day operations. In addition, Stamos Capital formally spun out Corrum Capital Management LLC ("CCM"), previously a wholly owned subsidiary of Stamos Capital, in order to allow it to operate as an independent entity. As part of the spinout and for a certain period of time, each of Stamos Capital and CCM will become a non-discretionary sub-advisor to certain of the other's investment vehicles.

In conjunction with the Management Buyout, Sterling Stamos Associates, L.L.C., the managing member of the general partners of several limited partnerships formed for investing purposes, has been renamed "Stamos Capital Associates, L.L.C." and Sterling Stamos Capital Management, L.P., the registered investment adviser to various investment vehicles and managed accounts, has been renamed "Stamos Capital Partners, L.P." It is expected that such investment vehicles will be renamed by replacing the words "Sterling Stamos" with "Stamos Capital Partners" or "SCP."

Stamos Capital's investment process will continue to be led by Peter Stamos, as chairman of the Stamos Capital Investment Committee, as he will continue to retain ultimate decision making authority with respect to all Stamos Capital investment vehicles. Furthermore, none of Stamos Capital's Chief Investment Officer, Head of Risk, Head of Finance/Accounting or Head of Legal/Compliance/Operational Due Diligence, each a Stamos Capital Investment Committee member with veto power, has left Stamos Capital as a result of the Management Buyout or the spinout.

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ITEM 4

ADVISORY BUSINESS

A. General Description of Advisory Firm.

Stamos Capital is organized as a Delaware limited partnership and began operations as an investment adviser in June 2002. Peter Stamos serves as the Chairman and CEO and is one of the largest owners of Stamos Capital.

Stamos Capital provides its Clients with endowment-style multi-asset class investment solutions and highly customized hedge fund portfolios. It provides its institutional and wealth management platform Clients with investment solutions across both public and private alternative asset classes and investment solutions that include strategy-specific multi-manager hedge fund, private equity, and real asset funds, as well as a private capital managed account business.

B. Description of Advisory Services.

Stamos Capital provides investment advisory services to (i) a series of private funds employing multi-manager investment programs (the “Funds”) and (ii) various individual investment portfolios or managed accounts (the “Managed Accounts” and together with the Funds, the “Clients”). The investment programs of the Clients may include allocations to up to five asset classes: fixed income, absolute return, equities, private equity, and real assets, subject to the specific investment objectives of each Client.

When advising a Fund, Stamos Capital invests the assets of each Client primarily in private investment funds or managed accounts (collectively, “Portfolio Funds,” i.e. hedge funds) managed by fund managers (“Fund Managers”) selected by Stamos Capital. The assets of the various Funds are allocated by Stamos Capital acting in its sole discretion in accordance with the different objectives and strategies of each Fund. Acting as investment adviser or sub-adviser and in some cases as the general partner to the Funds, Stamos Capital (i) identifies and negotiates investment opportunities for the Funds and (ii) participates in the management, monitoring and disposition of the Funds’ investments. Except for an initial determination as to a person’s suitability for investment in the Funds, the individual needs of the investors in the Funds are not the basis of investment decisions made by Stamos Capital. An allocation analysis is provided directly to the Funds and not individually to the Funds’ investors.

When advising a Managed Account, Stamos Capital conducts an initial review and analysis of the Managed Accounts existing investment portfolio, if any, and recommends an allocation of assets to various Portfolio Funds taking into account the Managed Account’s risk tolerance, liquidity requirements, investment objectives, and Stamos Capital’s overall market outlook. The owner of the Managed Account may accept or reject such recommendations and bears responsibility for executing the purchase or sale of any investment.

In certain limited instances, Stamos Capital may provide services where Stamos Capital is not managing assets for the Client but rather furnishing the Client with an allocation analysis. In such cases, Stamos Capital may analyze the asset allocation of a Client's investments across the Funds and other investments. Stamos Capital may provide recommendations of Funds with whom the Client may invest and may also provide advice regarding improved asset allocation and diversification which the Client may or may not act upon.

C. Availability of Customized Services for Individual Clients.

When advising a Managed Account, Stamos Capital conducts an initial review and analysis of the specific Client's existing investment portfolio, if any, and recommends an allocation of assets to various Portfolio Funds taking into account the Client's risk tolerance, liquidity requirements, investment objectives, and Stamos Capital's overall market outlook. The owner of the Managed Account may accept or reject such recommendations and bears responsibility for executing the purchase or sale of any investment.

When advising a Fund, the assets of the various Funds are allocated by Stamos Capital acting in accordance with the different objectives and strategies of each Fund as dictated by each Fund's offering materials. Except for an initial determination as to a person's suitability for investment in the Funds, the individual needs of the investors in the Funds are not the basis of investment decisions made by Stamos Capital. An allocation analysis is provided directly to the Funds and not individually to the Funds' investors.

In certain limited circumstances, Stamos Capital may enter into written agreements such as side letters with one or more investors in the Funds whereby the agreements may contain provisions that limit the types or amounts of investments a particular Fund may undertake.

D. Assets Under Management.

Stamos Capital manages \$3,807,851,813 in Client assets, including \$1,715,491,256 on a discretionary basis, and \$2,092,360,557 on a non-discretionary basis as of September 30, 2013. In certain instances, a Client may invest in another Fund, and therefore such assets will be double-counted when calculating the assets under management, because the prescribed method of computation consists of an aggregation of each Client's assets.

ITEM 5

FEES AND COMPENSATION

A. Advisory Fees and Compensation.

With respect to the Funds, Stamos Capital generally charges a quarterly fee computed at an annual rate of up to 1% of assets under management, paid at the beginning of each quarter, as described in the relevant offering documentation and/or investment management agreements of each particular Fund. In addition, performance fees may be charged of up to 20%, as described in the relevant offering documentation and/or investment management agreements of each particular Fund. Performance based fees are generally paid after the end of each fiscal year. Fund fees are generally non-negotiable.

With respect to Managed Accounts, the terms including management and performance fees are negotiated separately with each investor and described in the Managed Account's investment advisory agreement. Stamos Capital may by mutual agreement with certain managed accounts provide additional investment advisory services for a fixed fee.

B. Payment of Fees.

With respect to the Funds, management fees are deducted from an investor's capital account balance quarterly in advance, and at the fiscal year-end for any applicable performance fee. Investors who choose to withdraw at a point in time that does not coincide with an ordinary billing period such as quarter-end or year-end will be allocated their share of any applicable fees including performance fees associated with the time period.

With respect to Managed Accounts, investors are invoiced in accordance with the billing periods that are defined in the Managed Account's investment advisory agreement.

C. Additional Fees and Expenses.

Each Fund bears expenses related to its operations, including without limitation, investment-related expenses, such as management and administrative fees charged by the Portfolio Funds, performance-based fees to the Fund Managers, expenses related to the purchase and sale of illiquid securities, brokerage commissions, research expenses, interest on margin accounts and other indebtedness, bank service fees, professional fees (including, without limitation, expenses of consultants and experts), and investment-related travel expenses; legal, accounting (including the cost of accounting software packages), audit, and tax preparation expenses; administration expenses (including fees and expenses of the Fund's administrator); organizational expenses; expenses incurred in connection with the offer and sale of interests in the Fund and other similar expenses related to the Fund; and extraordinary expenses.

Each Managed Account may be subject to some or all of the expenses and fees detailed above, subject to the terms of the Managed Account's investment advisory agreement.

D. Prepayment of Fees.

With respect to the Funds, management fees are deducted from an investor's capital account balance quarterly in advance. Investors who choose to withdraw at a point in time that does not coincide with a quarter-end will be allocated their share of any applicable fees including performance fees associated with the time period. Specifically, in the case of a withdrawal by an investor in a Fund other than as of the last day of a fiscal quarter, a *pro rata* portion of the management fee (based on the actual number of days remaining in such partial fiscal quarter) will be returned by Stamos Capital to the Fund and distributed to such withdrawing investor.

With respect to Managed Accounts, investors are invoiced in accordance with the billing periods that are defined in the Managed Account's investment advisory agreement.

ITEM 6
PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

In addition to asset based management fees, the Funds and certain Managed Accounts typically charge performance-based fees based on a share of such Client's capital appreciation. The fees charged to each Client vary in accordance with their offering documents or investment advisory agreements.

Performance-based fee arrangements may create an incentive to engage in riskier investments than would ordinarily be the case if Stamos Capital did not charge such fees.

In certain circumstances, during the course of identifying investment opportunities, Stamos Capital may encounter what it considers an attractive investment with limited capacity available. If such an investment satisfies the investment objective of several Funds and/or Managed Accounts, whether and how Stamos Capital allocates the investment may pose a conflict of interest where those investors involved pay different fees.

Stamos Capital maintains an Allocation Policy to appropriately determine how to allocate limited capacity investment opportunities. The policy requires Stamos Capital to first determine which Clients are eligible to participate in such an opportunity based on each Client's investment program and objectives. Next, the limited investment opportunity will generally be allocated among all eligible Clients in proportion to their relative capital balances. Clients without sufficient available capital or whose current portfolio's do not warrant participating in such an opportunity due to risk or concentration constraints will not participate. In certain circumstances, Stamos Capital may give added weight to those Clients whose investment programs are responsible for obtaining access to the limited investment opportunity when allocating such opportunities.

ITEM 7

TYPES OF CLIENTS

The predominant investment advisory service provided by Stamos Capital is to act as the investment adviser or sub-adviser to the Funds and Managed Accounts where investment advisory services are provided directly to the Funds and Managed Accounts and not individually to the Funds' investors. In the case of the Managed Accounts, advice is provided to the individual Managed Accounts. The Funds are composed of "accredited investors" ("Accredited Investors") as that term is defined in Rule 501 of Regulation D of the Securities Act of 1933, as amended, most of whom will be "qualified purchasers" as defined in Section 2(a)(51)(A) of the Investment Company Act of 1940, as amended.

The Funds' investors and Managed Accounts consist primarily of high net worth individuals, banks or thrift institutions, pension and profit sharing plans, trusts, estates, charitable organizations, state or municipal government agencies, government retirement plans, and corporations or other business entities other than those listed above.

The minimum initial Fund subscription ordinarily is \$5 million; however, such minimums vary by Fund and Stamos Capital may accept smaller accounts. There is no designated minimum account size for Managed Accounts, although Stamos Capital would not ordinarily accept a Managed Account unless its size exceeded the Fund minimums.

ITEM 8
METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

A. Methods of Analysis and Investment Strategies.

Stamos Capital identifies, researches, interviews, evaluates, selects and monitors underlying Fund Managers with whom the Funds and Managed Accounts invest. Such Fund Managers use non-traditional methods of investing to seek returns in excess of more traditional investments.

In evaluating the merits of a particular Fund Manager and Portfolio Fund, Stamos Capital typically considers the following among other things:

- (a) the investment performance and risk management techniques of the Fund Manager and/or Portfolio Fund;
- (b) the length of time the Fund Manager has been associated with the applicable Portfolio Fund;
- (c) the volatility of the results of the Fund Manager and/or Portfolio Fund;
- (d) the amount of the Fund Manager's own capital that is managed similarly to the applicable Portfolio Fund;
- (e) potential conflicts of interest;
- (f) the liquidity of an investment in the Portfolio Fund;
- (g) the liquidity of the investments of the Portfolio Fund;
- (h) the degree of correlation or non-correlation between the performance of the Portfolio Fund and that of the market;
- (i) the degree to which the Portfolio Fund employs leverage;
- (j) the fees associated with an investment in the Portfolio Fund; and
- (k) an assessment of intangible characteristics of the Fund Manager, including but not limited to, the degree of risk associated with the Fund Manager's objectives and strategies and the experience and backgrounds of the Fund Manager's principals.

All investments in securities and other financial instruments risk the loss of invested capital. There is no guarantee that any Client's investment program will be successful, and investment results may vary substantially over time. Past results of the Funds, Managed Accounts, and Portfolio Funds are not necessarily indicative of future performance. No assurance can be made that profits will be achieved or that substantial losses will not be incurred.

Therefore, investors in the Funds or the Managed Accounts should be prepared to bear the loss of some or all of their investment.

B. Material, Significant, or Unusual Risks Relating to Investment Strategies.

Investors should carefully consider the risks involved in an investment in the Funds or Managed Accounts, including but not limited to those discussed below and in such Fund's or Managed Account's offering documents. Investors should consult their own legal, tax, and financial advisers as to all of these risks and an investment in the Funds or Managed Accounts generally.

The Funds and Managed Accounts utilize a so-called "fund-of-funds" or "multi-manager" investment strategy pursuant to which the Funds' and Managed Accounts' allocate capital among various Portfolio Funds. Any risks borne by the Fund Managers and the Portfolio Funds will therefore also indirectly be borne by the Funds and Managed Accounts. Stamos Capital performs due diligence on Portfolio Funds and Fund Managers to identify investment opportunities it considers attractive for its Clients. Part of this process involves evaluating a Fund Managers' investment processes and operations to develop a certain level of understanding of the risks involved. To the extent Stamos Capital fails to identify the level of risk a particular investment poses, or Stamos Capital underestimates a Fund Manager's ability to mitigate the effect of adverse market movements, Client portfolios may suffer as a result.

Investors should consider the following potential risks, among others, in determining whether an investment in the Funds or Managed Accounts is a suitable investment:

- (a) Stamos Capital or the Fund Managers may not fully anticipate adverse market events, and therefore Stamos Capital's allocation among Fund Managers, or a particular Fund Manager's investment strategy may prove to be ineffective or inappropriate to handle such market conditions;
- (b) The Fund Managers or Stamos Capital may fail to anticipate the amount of redemptions requested by investors for a given redemption period, particularly during abnormal market conditions, and withdrawal restrictions may be imposed by Stamos Capital and/or the Fund Managers as a result;
- (c) Key individuals responsible for investment decisions at Stamos Capital or the Fund Managers may become incapacitated or unable to perform their duties;
- (d) The failure of a counterparty may cause a loss, or delay the amount of time needed to recoup some or all of an investment;

- (e) The Fund Managers provide valuations for their Portfolio Funds and Stamos Capital may have a limited ability to verify the accuracy of such valuations;
- (f) Fund Managers may use proprietary investment strategies, and may not disclose all aspects to Stamos Capital, thereby causing Stamos Capital to underestimate the associated risk of the investment;
- (g) Performance fees may encourage higher risk taking; and
- (h) Investors in the Funds or Managed Accounts are subject to multi-level fees assessed by both Stamos Capital in addition to the Fund Managers.

Investors should carefully review the offering documents, including the risk factors section, of the Fund or Managed Account they are interested in prior to investing capital.

C. Risks Associated With Particular Types of Securities.

Investors should consider the following potential risks, among others, in determining whether an investment in the Funds or Managed Accounts is a suitable investment:

Investment Strategy

- a) The portfolio hedges that either Stamos Capital or the Fund Managers may apply may not function as intended, exposing the Client's portfolios to higher risks than intended;
- b) There is no public market for the interests in the Funds or many of the Portfolio Funds, and are therefore less liquid than publicly traded securities;
- c) Stamos Capital or the Fund Managers may elect to employ leverage, and this could potentially exacerbate losses;
- d) Stamos Capital or Fund Managers may elect to invest in futures, options, and other derivatives, and the volatility of these financial instruments may be higher than other securities;
- e) The Portfolio Funds may invest in fixed income investments, and such investments can be sensitive to interest-rate changes that may be difficult to predict or anticipate;
- f) The Portfolio Funds may invest in distressed securities that are out-of-favor, financially leveraged, or potentially troubled, and these investments may be less liquid and require longer holding periods than ordinary securities;

- g) Stamos Capital may select investments in overseas markets or Portfolio Funds that are subject to different levels of regulation than would be applicable in the United States;
- h) The Portfolio Funds may use over-the-counter markets that may be subject to fewer restrictions than if executed on a securities exchange; and
- i) The Portfolio Funds may invest in long-dated or illiquid securities that offer less frequent valuations and may require longer holding periods than other securities.

Investors should carefully review the offering documents, including the risk factors section, of the Fund or Managed Account they are interested in prior to investing capital.

ITEM 9
DISCIPLINARY INFORMATION

Registered investment advisers are required under this Item 9 to disclose all material information related to legal or disciplinary events pertaining to the investment adviser or its employees. Neither Stamos Capital nor any of its employees has been involved in a disciplinary event.

ITEM 10
OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

A. Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Adviser Registration Status.

Stamos Capital is not registered as a commodity trading adviser or commodity pool operator, and complies with registration exemptions for both.

B. Material Relationships or Arrangements with Industry Participants.

As discussed further in Item 14, Stamos Capital may compensate unaffiliated broker dealers for the referral of investors.

C. Material Conflicts of Interest Relating to Other Investment Advisers.

In the process of selecting underlying fund investments, Stamos Capital may elect to invest the assets of one Stamos Capital Fund into another Stamos Capital Fund. When doing so, the investing Fund will not be subject to duplicate Stamos Capital fees, although dependent upon the circumstances, conflicts of interest may exist. As noted previously in response to Item 6, a conflict may arise in the allocation process due to the different incentive fees associated with each fund, and this may be relevant to any potential cross investment. Additionally, when considering Stamos Capital Funds for a cross investment, Stamos Capital may exercise its discretion in a way that favors one fund over another.

During the course of its annual compliance review, Stamos Capital typically reviews portfolio transactions including cross investments to understand the nature of the transactions. Stamos Capital may take any appropriate measures as applicable to address the effect any material conflict had on an investor.

ITEM 11
CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS
AND PERSONAL TRADING

A. Code of Ethics.

Stamos Capital has a Code of Ethics that bars employees from trading in their personal accounts any security that appears on its Restricted List. Stamos Capital's personal trading policy generally requires that (i) all such personal securities transactions receive pre-approval from the Chief Compliance Officer or suitable designee prior to consummation, (ii) all personal securities holdings be held in accounts with a brokerage firm which has been pre-approved by Stamos Capital, and (iii) all holdings statements from personal accounts be provided to Stamos Capital directly from the pre-approved brokerage firm on a periodic basis. Generally, Stamos Capital's personal trading policy requires Stamos Capital's Chief Compliance Officer or designee to withhold approval of any personal securities transactions that includes any individual stocks or bonds. Employees and related persons of Stamos Capital (or their immediate family members) may acquire shares of mutual funds and exchange-traded funds (ETF's); however, in all circumstances the acquisition of shares of such funds are subject to the requirement of pre-approval from Stamos Capital's Chief Compliance Officer or designee. The Code of Ethics is available to investors in the Funds and Managed Accounts upon request to Stamos Capital.

B. Securities That You or a Related Person Has a Material Financial Interest.

As previously noted in response to Items 6 and 10, a Fund may invest in another Fund, and in such cases a related Stamos Capital entity will ordinarily serve as the general partner to both Funds. Similarly, Stamos Capital may recommend Funds to Managed Account investors. In order to minimize the potential conflict inherent in this practice, Stamos Capital waives management and performance fees as necessary to avoid having a Client pay two sets of management or performance fees to Stamos Capital in connection with one investment.

C. Investing in Securities That You or a Related Person Recommends to Clients.

Stamos Capital may elect to engage in exchange-traded transactions on behalf of Clients for hedging purposes. In the event Stamos Capital is preparing for or is in the process of completing mutual fund or ETF transactions of a significant size, an employee could benefit by trading ahead of the Client in the employee's personal securities account. To prevent this from occurring, the Chief Compliance Officer or designee withholds approval of the employee's pre-clearance trade request until after the Client transactions are completed.

As noted previously in response to Items 6 and 10, two or more Funds may invest in the same Portfolio Funds, and the allocation of such investments may pose a conflict of interest.

In addition, Stamos Capital employees may invest their personal capital in the Funds, however, such investments do not provide the employees with preferred liquidity terms over similarly situated non-employee investors in the Funds.

D. Conflicts of Interest Created by Contemporaneous Trading.

As previously described in Item 11C above, an employee could benefit by trading contemporaneously with the Client in the employee's personal securities account. To prevent this from occurring, the Chief Compliance Officer or designee withholds approval of the employee's pre-clearance trade request until after the Client transactions are completed. In addition, Stamos Capital employees may invest their personal capital in the Funds, however, such investments do not provide the employees with preferred liquidity terms over similarly situated non-employee investors in the Funds.

ITEM 12

BROKERAGE PRACTICES

A. Factors Considered in Selecting or Recommending Broker-Dealers for Client Transactions.

Stamos Capital ordinarily utilizes the services of a broker-dealer to engage in exchange-traded or over-the-counter products for hedging purposes. In accordance with Stamos Capital's Best Execution Policy and Procedures, Stamos Capital considers several factors when selecting a broker-dealer to be added to the Approved Broker List. Such factors include but are not limited to: (i) quality of execution - accurate and timely execution, clearance and error/dispute resolution; (ii) reputation, financial strength and stability; (iii) block trading and block positioning capabilities; (iv) willingness to execute difficult transactions; (v) willingness and ability to commit capital; (vi) access to underwritten offerings and secondary markets; (vii) ongoing reliability; (viii) overall costs of a trade (i.e., net price paid or received) including commissions, mark-ups, mark-downs or spreads in the context of the Stamos Capital's knowledge of negotiated commission rates currently available and other current transaction costs; (ix) nature of the security and the available market makers; (x) desired timing of the transaction and size of trade; (xi) confidentiality of trading activity; and (xii) and market intelligence regarding trading activity.

1. Research and Other Soft Dollar Benefits.

Stamos Capital does not receive research or other products and services from broker-dealers in connection with executing its trades with a particular broker-dealer. In the event Stamos Capital elects to accept soft dollar benefits in the future, Stamos Capital has a Soft Dollar Policy that would govern its conduct regarding the use of soft dollars.

2. Directed Brokerage.

Stamos Capital selects broker-dealers to execute transactions for the Funds, and it does not permit investors in the Funds to select a broker-dealer for a directed brokerage arrangement.

Under the terms of each Managed Account's investment advisory agreement, Managed Account investors retain discretion to accept or reject Stamos Capital's recommendations, and therefore the Managed Account investors are responsible for selecting broker-dealers and other custodians outside of their direct investment in the Funds.

Managed Account investors may receive less favorable execution prices or pay higher commission rates than would ordinarily be available when aggregated with orders of other Clients that Stamos Capital advises.

B. Order Aggregation.

In general and in accordance with Stamos Capital's Order Aggregation Policy, when two or more Clients desire to engage in a transaction for the same security based on their investment objectives, Stamos Capital aggregates the order where doing so provides for best execution and more favorable commission rates or other brokerage costs than if the transaction were entered separately for each Client.

ITEM 13

REVIEW OF ACCOUNTS

A. Frequency and Nature of Review of Client Accounts or Financial Plans.

Peter Stamos and Stamos Capital's investment team monitor the performance of the Funds and their underlying investments on a daily and ongoing basis.

Currently, the investment team consists of: the Chief Executive Officer; the Chief Investment Officer; a Senior Adviser; an Associate for Absolute Return; a Managing Director for Private Capital; a Director for Equity; a Partner, a Director, a Senior Analyst, and two Analysts of Managed Accounts; a Partner, a Managing Director, and a Manager for Risk Management; and the General Counsel/Chief Operating Officer/Chief Compliance Officer, a Partner, and a Manager of Operational Due Diligence.

Stamos Capital's investment team convenes at regular intervals to communicate ideas across asset classes. The ongoing dialogue among all of the asset class groups enables a wider pool of ideas, and also creates synergies across the Stamos Capital's investment platform. As a result, all of the Clients benefit from a broad economic perspective and are not limited by a myopic view of an individual asset class.

Research is conducted by all members of the investment team on a daily basis and is distributed and updated as part of ongoing activity.

The investment team typically meets weekly to discuss market research, economic news, fund performance, and investment themes.

The Stamos Capital's Investment Committee ordinarily meets on a monthly basis to review investment decisions. Other members of the investment team may attend to present new investment ideas and discuss portfolio management strategies.

All of Stamos Capital's employees are invited to attend quarterly meetings where the investment team discusses each of the Funds and asset classes, and develops the Applicant's macroeconomic perspective. In an effort to bring in outside opinions and avoid becoming too insular in our viewpoints, it is common for Stamos Capital to bring in outside experts for economic perspectives to give a fresh analysis of events in the current environment.

On a periodic basis, the investment team will discuss key drivers to the Clients' performance, especially when a Fund Manager has excessive returns/losses relative to its peers. The conversations periodically are supplemented by portfolio monitoring/exposure reports provided by the Fund Managers. The portfolio monitoring reports provide the Clients' long and short gross exposure by strategy, asset type, industry, geography and other statistics relevant to the strategy, such as performing versus non-performing,

etc. Stamos Capital utilizes these reports and quarterly meetings to evaluate a manager's core risks in the portfolio and corresponding hedges as well as identify any significant concerns or style drift. At least one member of the investment team strives to meet with each Fund Manager at least once a quarter to actively review and discuss various aspects of the Fund Manager's underlying portfolio composition that may include key positions and themes in the portfolio among other things.

The Operational Due Diligence and Risk Management teams conduct ongoing monitoring of the Clients' investments. Each Portfolio Fund is evaluated and an assessment is made to determine the frequency of on-site visits a member of the team will be required to perform in order to ensure that Stamos Capital has a sufficient understanding of a Portfolio Fund's current operations. In addition to such visits, a questionnaire is periodically sent to all Fund Managers in order to identify any changes to its operation or organization that would require further review.

Stamos Capital will meet periodically to review the portfolios of the Managed Accounts. The frequency of such meetings will ordinarily be determined by the investor in the Managed Account. Similar to the Funds, the research process to develop investment ideas is an ongoing activity; however, certain aspects of reviewing the investor's portfolio relies on information provided to Stamos Capital by the investor that may influence the timing of when a review of the portfolio can occur.

B. Factors Prompting Review of Client Accounts Other than a Periodic Review.

Stamos Capital will undertake a review of client accounts whenever there is a material change in an underlying fund's management, investment strategy, operations, a change in auditor or administrator, an unusual deviation in performance, or revelation of any regulatory action or the initiation of an investigation.

C. Content and Frequency of Account Reports to Clients.

Investors in the Funds generally receive (i) monthly statements which include the current value of their capital accounts in the Funds; (ii) monthly performance estimates regarding their investments in the Funds, which include details regarding estimated month-to-date, quarter-to-date and year-to-date performance of the Funds (net of fees and expenses) and a monthly market review, which includes a summary of the performance of certain indices, such as the S&P 500 Total Return Index, HFRX hedge fund indices, the Dow Jones Industrial Average and other world indices; (iii) quarterly letters; and (iv) audited financial statements of the relevant Funds annually.

Managed Account investors receive the same reports for their holdings in the Funds. For those investments that are not in the Funds, the Managed Account investors receive reports from the custodian or broker-dealer that has custody of such assets. Also, Stamos Capital provides a periodic review of the Managed Account's performance along with any related market commentary.

ITEM 14
CLIENT REFERRALS AND OTHER COMPENSATION

A. Economic Benefits for Providing Services to Clients.

During the ordinary course of business, Stamos Capital may receive a gift from a service provider. To address the potential conflicts of interest where receipt of a gift could influence our decision-making, Stamos Capital's Code of Ethics limits the value of gifts from service providers to a de minimis amount unless the Chief Compliance Officer grants approval to accept a gift in a higher amount.

B. Compensation to Non-Supervised Persons for Client Referrals.

Stamos Capital may enter into agreements to compensate third parties for investor referrals. The amount of compensation typically will consist of a portion of the fees Stamos Capital earns from the referred investor. Any such arrangement that Stamos Capital enters into will be in accordance with rules under the Investment Advisers Act of 1940.

ITEM 15 CUSTODY

The Funds are direct clients of Stamos Capital, and the qualified custodians and Portfolio Funds send statements in the name of the Funds to the office of Stamos Capital. Investors in the Funds receive a statement of their capital balance prepared by Stamos Capital on a monthly basis that will reflect the value of their interest in the Fund. Investors will also receive audited financial statements of the Fund in accordance with the Custody Rule (“Rule 206(4)-2”) of the Investment Advisers Act of 1940.

Managed Account investors receive statements from the custodians for those assets that are not invested in the Funds. Managed Account investors should compare any statement provided by Stamos Capital regarding portfolio holding with the statements of the custodians to ensure there are no discrepancies.

ITEM 16
INVESTMENT DISCRETION

By completing the subscription documents for the Funds, investors in the Funds grant Stamos Capital and the general partner of such Fund, if any, power of attorney and discretionary authority to act on behalf of their interest in the Fund. Fund investors do not have the ability to limit this authority, although through the use of side letter agreements, an investor may negotiate a restriction that further defines the investment program for the Fund.

By mutual agreement with the Managed Accounts, Stamos Capital may be granted power of attorney and discretionary authority to act on behalf of the Managed Accounts. The Managed Account investors have the ability to grant and limit such authority subject to the terms and provisions of the managed account agreement.

ITEM 17
VOTING CLIENT SECURITIES

A. Policies and Procedures Relating to Voting Client Securities.

Stamos Capital has the authority to vote proxies on behalf of the Funds, and it has adopted Proxy Voting Procedures to govern the voting process. For ballot measures that would be considered routine matters under the proxy voting procedures, Stamos Capital generally votes with management's recommendation unless it is determined not to be in the best interest of the Fund. Non-routine matters will be evaluated on the merits of each proposal, and the proxy procedures identify certain types of proposals where Stamos Capital would ordinarily vote against management's recommendation.

Any potential conflicts of interest will be addressed on a case-by-case basis dependent upon the nature of the conflict. Possible actions Stamos Capital may take include the delegation of the voting decision to an independent third party, the organization of a committee responsible for the voting decision, or obtaining the consent of the Fund investors to vote a particular way. In all cases, Stamos Capital will seek to vote in the best interests of the Fund.

The Proxy Voting Procedures are available to investors in the Funds and Managed Accounts upon request to Stamos Capital. Information about a proxy vote on behalf of a Fund may be obtained by the Fund's investor upon request to Stamos Capital.

B. No Authority to Vote Client Securities and Client Receipt of Proxies.

Managed Account investors retain proxy voting authority for those assets not invested in the Funds. Stamos Capital may advise on how to vote a particular proposal, but will not have responsibility for casting the vote.

ITEM 18
FINANCIAL INFORMATION

ITEM 19
REQUIREMENTS FOR STATE-REGISTERED ADVISERS