

STONELEIGH PARTNERS ACQUISITION CORP.

Form PRE 14A

April 10, 2009

---

---

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934

1. Filed by the Registrant

2. Filed by a Party other than the Registrant

3. Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the  
Commission Only (as permitted by  
Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to Section 240.14a-12  
STONELEIGH PARTNERS ACQUISITION CORP.  
(Name of Registrant as Specified In Its Charter)  
(Name of Person(s) Filing Proxy Statement, if other than the  
Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i) (1) and 0-11.
  - (1) Title of each class of securities to which transaction applies:
  - (2) Aggregate number of securities to which transaction applies:

Edgar Filing: STONELEIGH PARTNERS ACQUISITION CORP. - Form PRE 14A

- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
  - (4) Proposed maximum aggregate value of transaction:
  - (5) Total fee paid:
- 
- o Fee paid previously with preliminary materials.
  - o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
    - (1) Amount Previously Paid:
    - (2) Form, Schedule or Registration Statement No.
    - (3) Filing Party:
    - (4) Date Filed:
-

STONELEIGH PARTNERS ACQUISITION CORP.

20 Marshall Street, #104

Norwalk, CT 06854

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

TO BE HELD MAY 29, 2009

TO THE STOCKHOLDERS OF STONELEIGH PARTNERS ACQUISITION CORP.:

You are cordially invited to attend the special meeting of stockholders of Stoneleigh Partners Acquisition Corp. (“Stoneleigh”) to be held at 11:00 a.m. EDT on May 29, 2009 at the offices of Stoneleigh’s counsel Blank Rome LLP, 405 Lexington Avenue, New York, New York 10174, for the sole purpose of considering and voting upon the following proposals:

- a proposal to amend the amended and restated Stoneleigh certificate of incorporation (the “Extension Amendment”) to extend the date on which Stoneleigh’s corporate existence terminates from May 31, 2009 to December 31, 2009; and
- a proposal to allow the holders of shares of common stock issued in Stoneleigh’s initial public offering (the “IPO”, and such shares sold in the IPO are referred to as the “public shares”) to elect to convert their public shares into their pro rata portion of the funds held in the trust account established at the time of the IPO (the “trust account”) if the Extension Amendment is approved (the “Conversion”).

The Stoneleigh board of directors has fixed the close of business on April 15, 2009 as the date for determining Stoneleigh stockholders entitled to receive notice of and vote at the special meeting and any adjournment thereof. Only holders of record of Stoneleigh common stock on that date are entitled to have their votes counted at the special meeting or any adjournment thereof.

We have entered into a letter of intent with Realty Finance Corporation, referred to as RFC, for the completion of a business combination and expect to complete a business combination on the terms contemplated by the prospectus dated May 31, 2007 relating to our IPO. Our board of directors has determined that it would be in the best interests of our stockholders to permit Stoneleigh to continue its corporate existence beyond the time established in our certificate of incorporation in order to complete the business combination with RFC or another business combination.

As a result, our board of directors has determined that it is in the best interests of our stockholders to continue Stoneleigh’s existence until December 31, 2009. Our board of directors recognizes the importance of the rights afforded to the holders of the public shares (the “public stockholders”) at the time of the IPO to receive their pro rata portion of the trust account in connection with a liquidation of Stoneleigh if its corporate existence were to terminate on May 31, 2009. Accordingly, Stoneleigh is offering holders of public shares the opportunity to participate in the Conversion proposal regardless of whether the holder votes for or against the Extension Amendment. In order to convert your public shares, you must vote in favor of the Conversion proposal; however, if you vote in favor of the Conversion proposal, you are not required to convert your public shares.

If the Extension Amendment and Conversion proposal are approved by the stockholders, and holders of a majority of the public shares elect to participate in the Conversion and convert their shares into their pro rata portion of the trust account, the distribution of funds from the trust account resulting from the Conversion will constitute a distribution of substantially all of Stoneleigh's assets under Section 271 of the Delaware General Corporation Law ("GCL"). Accordingly, stockholder approval of the removal of funds from the trust account in connection with the Conversion proposal will constitute stockholder approval of a distribution of substantially all of Stoneleigh's assets under Section 271 of the GCL.

---

If the Extension Amendment and Conversion proposal are not approved and we do not complete a business combination as contemplated by our IPO prospectus and in accordance with our certificate of incorporation by May 31, 2009, our corporate existence will terminate except for the purposes of winding up our affairs and liquidating, pursuant to Section 278 of the GCL. This has the same effect as if our board of directors and stockholders had formally voted to approve our dissolution pursuant to Section 275 of the GCL. Accordingly, limiting our corporate existence to a specified date as permitted by Section 102(b)(5) of the GCL removed the necessity to comply with the formal procedures set forth in Section 275 (which would have required our board of directors and stockholders to formally vote to approve our dissolution and liquidation and to have filed a certificate of dissolution with the Delaware Secretary of State). In any liquidation, the funds held in the trust account will be distributed pro rata to the holders of the public shares. In such case, Stoneleigh anticipates notifying the trustee of the trust account to begin liquidating such assets promptly after May 31, 2009 and anticipates it will take no more than 10 business days to effectuate such distribution. Stoneleigh's initial stockholders have waived their rights to participate in any liquidation distribution with respect to their initial shares. There will be no distribution from the trust account with respect to our warrants, which will expire worthless. Stoneleigh will pay the costs of liquidation from its remaining assets outside of the trust account. If such funds are insufficient, Stoneleigh's management has agreed to advance it the funds necessary to complete such liquidation (currently anticipated to be no more than approximately \$15,000) and has agreed not to seek repayment of such expenses.

Stoneleigh's IPO prospectus stated that Stoneleigh would not take any action to amend or waive Article Sixth (except in connection with, and to be effective upon, a business combination) to allow it to survive for a longer period of time if it did not appear it would be able to consummate a business combination by May 31, 2009. Since the completion of its IPO, Stoneleigh has been dealing with many of the practical difficulties associated with the identification of a business combination target, negotiating business terms with potential targets and conducting related due diligence. Commencing promptly upon completion of its IPO, Stoneleigh began to search for an appropriate business combination target. During the process, it relied on numerous business relationships and contacted investment bankers, private equity funds, consulting firms, and legal and accounting firms. As a result of these efforts, Stoneleigh identified and reviewed information with respect to over 50 possible target companies. As of April 7, 2009, Stoneleigh entered into a letter of intent with RFC. The letter of intent provides that Stoneleigh will purchase approximately 31,000,000 shares of common stock (or a lesser amount, in Stoneleigh's discretion), referred to as the RFC common stock, and \$31,250,000 principal amount of senior secured note of RFC.

You are not being asked to pass on the proposed business combination at this time. If you are a public stockholder, you will have the specific right to vote on the proposed business combination with RFC, or another business combination if and when it is submitted to stockholders.

As currently contemplated by Stoneleigh's amended and restated certificate of incorporation, if Stoneleigh does not complete a business combination on or prior to May 31, 2009, Stoneleigh's corporate existence shall terminate, Stoneleigh shall liquidate the trust account for the benefit of the public stockholders and the public stockholders shall receive liquidating distributions. As a result of the matters proposed to the stockholders in the proxy statement, our board of directors proposes to extend the date on which Stoneleigh's existence will automatically terminate until December 31, 2009. All stockholders, including those who vote in favor of the Extension Amendment, shall be entitled to elect, in connection with this proxy statement, to convert their shares into their pro rata portion of the trust account. In order to convert your public shares, you must vote in favor of the Conversion proposal; however, if you vote in favor of the Conversion proposal, you are not required to convert your public shares. If the public stockholders so elect, Stoneleigh anticipates notifying the trustee promptly after the stockholder meeting, which is scheduled for May 29, 2009 to liquidate the trust account in an amount equal to the total pro rata portion of the converting shares. Stoneleigh estimates that the per share pro rata portion of the trust account will be approximately \$8.04 at the time of the special meeting.

Subject to the foregoing, the affirmative vote of a majority of Stoneleigh's outstanding common stock voting for the Extension Amendment and Conversion proposal will be required to approve the Extension Amendment and the

Conversion proposal.

2

---

In considering the Extension Amendment, Stoneleigh's stockholders should be aware that because Stoneleigh's IPO prospectus stated that Stoneleigh would not take any action to amend or waive any provision of its certificate of incorporation (except in connection with a business combination), including to allow it to survive for a longer period of time except in connection with, and to be effective upon, the consummation of a business combination, such stockholders may have securities law claims against Stoneleigh. Even if you do not pursue such claims, others may do so. The Extension Amendment will also result in Stoneleigh incurring additional transaction expenses, and may also result in securities law and other claims against Stoneleigh whose holders might seek to have the claims satisfied from funds in the trust account. If proposing the Extension Amendment results in Stoneleigh incurring material liability as a result of potential securities law claims, the trust account could be depleted to the extent of any judgments arising from such claims, together with any expenses related to defending such claims, if the resources of Gary D. Engle and James A. Coyne, who have certain indemnification obligations with respect to the trust account, are insufficient or unavailable to indemnify Stoneleigh for the full amount. You should read the proxy statement carefully for more information concerning the consequences of the adoption of the Extension Amendment.

After careful consideration of all relevant factors, Stoneleigh's board of directors has determined that the Extension Amendment and Conversion proposal is fair to and in the best interests of Stoneleigh and its stockholders, has declared it advisable and recommends that you vote or give instruction to vote "FOR" it.

Under Delaware law and Stoneleigh's bylaws, no other business may be transacted at the special meeting.

Enclosed is the proxy statement containing detailed information concerning the Extension Amendment, the Conversion and the special meeting. Whether or not you plan to attend the special meeting, we urge you to read this material carefully and vote your shares.

I look forward to seeing you at the meeting.

Dated: April [\_\_], 2009

By Order of the Board of Directors

/s/ Gary D. Engle  
Gary D. Engle

Chairman of the Board and Chief Executive Officer

Your vote is important. Please sign, date and return your proxy card as soon as possible to make sure that your shares are represented at the special meeting. If you are a stockholder of record, you may also cast your vote in person at the special meeting. If your shares are held in an account at a brokerage firm or bank, you must instruct your broker or bank how to vote your shares, or you may cast your vote in person at the special meeting by obtaining a proxy from your brokerage firm or bank. Your failure to vote or instruct your broker or bank how to vote will have the same effect as voting against each of the proposals.

STONELEIGH PARTNERS ACQUISITION CORP.

20 Marshall Street, #104

Norwalk, Connecticut 06854

SPECIAL MEETING OF STOCKHOLDERS

TO BE HELD MAY 29, 2009

PROXY STATEMENT

The special meeting of stockholders of Stoneleigh Partners Acquisition Corp. (“Stoneleigh”), a Delaware corporation, will be held at 11:00 a.m. EDT on May 29, 2009, at the offices of Stoneleigh’s counsel Blank Rome, 405 Lexington Avenue, New York, New York 10174, for the sole purpose of considering and voting upon the following proposals:

- a proposal to amend the amended and restated Stoneleigh certificate of incorporation (the “Extension Amendment”) to extend the date on which Stoneleigh’s corporate existence terminates from May 31, 2009 to December 31, 2009; and
- a proposal to allow the holders of shares of common stock issued in Stoneleigh’s initial public offering (the “IPO”, and such shares sold in the IPO are referred to as the “public shares”) to elect to convert their public shares into their pro rata portion of the funds held in the trust account established at the time of the IPO (the “trust account”) if the Extension Amendment is approved (the “Conversion”).

The Extension Amendment and the Conversion proposal are essential to the overall implementation of the board of directors’ plan to continue Stoneleigh’s corporate existence until December 31, 2009 to allow Stoneleigh more time to complete a business combination. As of April 7, 2009 Stoneleigh entered into a letter of intent with Realty Finance Corporation, or RFC, a commercial real estate specialty finance company focused on originating and acquiring whole loans, bridge loan, subordinate interests in whole loans, commercial mortgage-backed securities and mezzanine loans, primarily in the United States. If the Extension Amendment proposal is not approved by the stockholders, Stoneleigh’s corporate existence will terminate on May 31, 2009 and Stoneleigh will be unable to complete a business combination.

If the Extension Amendment and the Conversion proposal are approved by the stockholders, and holders of a majority of the public shares elect to participate in the Conversion and convert their shares into their pro rata portion of the trust account, the withdrawal of funds from the trust account in connection with the Conversion will constitute a distribution of substantially all of Stoneleigh’s assets under Section 271 of the Delaware General Corporation Law (“GCL”). Accordingly, stockholder approval of the withdrawal of funds from the trust account in connection with the Conversion will constitute stockholder approval of a distribution of substantially all of Stoneleigh’s assets under Section 271 of the GCL.

The withdrawal of funds from the trust account in connection with the Conversion will reduce the amount held in the trust account and Stoneleigh’s net asset value following the Conversion.

If the Extension Amendment is not approved and we do not complete a business combination as contemplated by our IPO prospectus and in accordance with our certificate of incorporation by May 31, 2009, our corporate existence will



terminate except for the purposes of winding up our affairs and liquidating, pursuant to Section 278 of the GCL. This has the same effect as if our board of directors and stockholders had formally voted to approve our dissolution pursuant to Section 275 of the GCL. Accordingly, limiting our corporate existence to a specified date as permitted by Section 102(b)(5) of the GCL removed the necessity to comply with the formal procedures set forth in Section 275 (which would have required our board of directors and stockholders to formally vote to approve our dissolution and liquidation and to have filed a certificate of dissolution with the Delaware Secretary of State). In any liquidation, the funds held in the trust account will be distributed, pro rata, to the holders of the public shares. In such case, Stoneleigh anticipates notifying the trustee of the trust account to begin liquidating such assets promptly after the stockholder meeting, which is scheduled for May 29, 2009 and anticipates it will take no more than 10 business days to effectuate such distribution. Stoneleigh's initial stockholders have waived their rights to participate in any liquidation distribution with respect to their initial shares. There will be no distribution from the trust account with respect to our warrants, which will expire worthless. Stoneleigh will pay the costs of liquidation from its remaining assets outside of the trust account. If such funds are insufficient, Stoneleigh's management has agreed to advance it the funds necessary to complete such liquidation (currently anticipated to be no more than approximately \$15,000) and has agreed not to seek repayment of such expenses.

---

If the Extension Amendment and the Conversion proposal are approved, the stockholders' approval of the Conversion will constitute consent for Stoneleigh to (i) remove from the trust account an amount (the "Withdrawal Amount") equal to the pro rata portion of funds available in the trust account relating to the converted public shares and (ii) deliver to the holders of such converting public shares their pro rata portion of the Withdrawal Amount. The remainder shall remain in the trust account and be available for use by Stoneleigh to complete a business combination on or before December 31, 2009. Holders of public shares who do not convert their public shares now, will retain their conversion rights and their ability to vote on a business combination through December 31, 2009 if the Extension Amendment is approved.

At the time the Extension Amendment becomes effective, Stoneleigh will also amend the trust account agreement to (i) permit the withdrawal of the Withdrawal Amount from the trust account; (ii) extend the date on which to liquidate the trust account to December 31, 2009; and (iii) prohibit any further changes in the distribution of the trust account funds, including the date of liquidation, unless each and every Stoneleigh common stockholder specifically agrees in writing to such change. This amendment will make extensions difficult for Stoneleigh to effect as Stoneleigh believes that obtaining a unanimous vote of its stockholders is highly unlikely due to the diverse interests of its public stockholders, although it should be noted that there may be fiduciary duty considerations that would outweigh the contractual obligations to observe the unanimous vote provision that may render adhering to its strict requirements problematic for the Stoneleigh board of directors. As a result, the attempt to prohibit any further changes in the distribution of trust account funds described above may not be effective or otherwise be enforceable against Stoneleigh.

The record date for the special meeting is April 15, 2009. Record holders of Stoneleigh common stock at the close of business on the record date are entitled to vote or have their votes cast at the special meeting. On the record date, there were 34,097,500 outstanding shares of Stoneleigh common stock including 27,847,500 outstanding shares of Stoneleigh public common stock. Stoneleigh's warrants do not have voting rights.

This proxy statement contains important information about the special meeting and the proposals. Please read it carefully and vote your shares.

This proxy statement is dated April [\_\_,] 2009 and is first being mailed to stockholders on or about that date.

#### QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING

These Questions and Answers are only summaries of the matters they discuss. They do not contain all of the information that may be important to you. You should read carefully the entire document, including the annexes to this proxy statement.

- Q. Why am I receiving this proxy statement?
- A. Stoneleigh is a blank check company formed in 2005 to serve as a vehicle for the acquisition, through a merger, capital stock exchange, asset acquisition or other similar business combination with an operating business. In May 2007, Stoneleigh consummated its IPO from which it derived gross proceeds of \$222,780,000, including proceeds from the partial exercise of the underwriters' over-allotment option. Like most blank check companies, our certificate of incorporation provides for the return of the IPO proceeds held in trust to the holders of shares of common stock sold in the IPO if there is no qualifying business combination(s) consummated on or before May 31, 2009. Stoneleigh's certificate of incorporation

provides for that Stoneleigh's corporate existence shall automatically terminate on May 31, 2009 if we have not completed a business combination. The board of directors believes that it is in the best interests of the stockholders to continue Stoneleigh's existence until December 31, 2009 in order to complete a business combination and is submitting these proposals to the stockholders to vote upon.

Q. What is being voted on?

A. You are being asked to vote on:

· a proposal to amend the amended and restated Stoneleigh certificate of incorporation (the “Extension Amendment”) to extend the date on which Stoneleigh’s corporate existence terminates from May 31, 2009 to December 31, 2009; and

· a proposal to allow the holders of shares of common stock issued in Stoneleigh’s initial public offering (the “IPO”, and such shares sold in the IPO are referred to as the “public shares”) to elect to convert their public shares into their pro rata portion of the funds held in the trust account established at the time of the IPO (the “trust account”) if the Extension Amendment is approved (the “Conversion”).

The Extension Amendment and the Conversion proposals are essential to the overall implementation of the board of directors’ plan to continue Stoneleigh’s corporate existence until December 31, 2009 to allow Stoneleigh more time to complete a business combination. Stoneleigh has entered into a letter of intent with RFC, and, therefore, if the Extension Amendment and Conversion proposals are not approved by the stockholders, Stoneleigh’s corporate existence will terminate on May 31, 2009.

If the Extension Amendment and the Conversion proposal are approved, the stockholder’s approval of the Conversion proposal will constitute consent for Stoneleigh to remove from the trust account an amount (the “Withdrawal Amount”) equal to the pro rata portion of funds available in the trust account relating to the public shares converted into such portion of the funds available in the trust account, deliver to the holders of such converting public shares the pro rata portion of the Withdrawal Amount and retain the remainder in the trust account for Stoneleigh’s use in connection with consummating a business combination on or before December 31, 2009.

If the Extension Amendment and the Conversion proposal are approved by the stockholders, and holders of a majority of the public shares elect to participate in the Conversion and convert their shares into their pro rata portion of the trust account, the removal of the Withdrawal Amount in connection with the Conversion proposal will constitute a distribution of substantially all of Stoneleigh’s assets under Section 271 of the GCL. Accordingly, stockholder approval of the removal of the Withdrawal Amount from the trust account in connection with the Conversion will constitute stockholder approval of a distribution of substantially all of Stoneleigh’s assets under Section 271 of the GCL.

The withdrawal of funds from the trust account in connection with the Conversion will reduce the amount held in the trust account and Stoneleigh's net asset value following the Conversion.

If the Extension Amendment and Conversion proposal are not approved and we do not complete a business combination as contemplated by our IPO prospectus and in accordance with our certificate of incorporation by May 31, 2009, our corporate existence will terminate except for the purposes of winding up our affairs and liquidating, pursuant to Section 278 of the GCL. This has the same effect as if our board of directors and stockholders had formally voted to approve our dissolution pursuant to Section 275 of the GCL. Accordingly, limiting our corporate existence to a specified date as permitted by Section 102(b)(5) of the GCL removed the necessity to comply with the formal procedures set forth in Section 275 (which would have required our board of directors and stockholders to formally vote to approve our dissolution and liquidation and to have filed a certificate of dissolution with the Delaware Secretary of State). In any liquidation the funds held in the trust account will be distributed, pro rata, to the holders of the public shares. In such case, Stoneleigh anticipates notifying the trustee of the trust account to begin liquidating such assets promptly after the stockholder meeting, which is scheduled for May 29, 2009 and anticipates it will take no more than 10 business days to effectuate such distribution. Stoneleigh's initial stockholders have waived their rights to participate in any liquidation distribution with respect to their initial shares. There will be no distribution from the trust account with respect to our warrants, which will expire worthless. Stoneleigh will pay the costs of liquidation from its remaining assets outside of the trust account. If such funds are insufficient, Stoneleigh's management has agreed to advance it the funds necessary to complete such liquidation (currently anticipated to be no more than approximately \$15,000) and has agreed not to seek repayment of such expenses.

Q. Why is the Company proposing the Extension Amendment and the Conversion proposal?

A. Stoneleigh was organized to serve as a vehicle for the acquisition, through a merger, capital stock exchange, asset acquisition or other similar business combination with a then unidentified operating business. Stoneleigh signed a letter of intent with RFC as of April 7, 2009. Under the terms of the transaction, if approved, Stoneleigh will acquire a controlling interest in RFC. Stoneleigh will receive 31,000,000 shares of newly issued RFC common stock and a \$31,250,000 principal amount senior secured note of RFC for which Stoneleigh will pay to RFC \$25,000,000 in cash. Stoneleigh will have the option to adjust its investment to any amount between

\$20,000,000 and \$150,000,000. The number of shares of common stock and principal amount of the note will be adjusted proportionately. The note will be secured by a first priority senior secured position in all of the assets of RFC, including the capital stock of RFC's subsidiaries, and bear interest at the rate of 8%. Additionally, Stoneleigh will have the right to appoint three of six members to RFC's board of directors upon the closing of the transaction. Stoneleigh intends for the transaction to constitute a business combination as provided in its certificate of incorporation.

If, after the execution of a definitive agreement between RFC and Stoneleigh either (i) Stoneleigh has demonstrated that it is ready to close the transaction and RFC has not consummated the transaction within 60 days of Stoneleigh demonstrating it can close or (ii) RFC signs a definitive agreement for a transaction other than the transaction with Stoneleigh, RFC must pay Stoneleigh the sum of \$800,000 as liquidated damages for the damages incurred by Stoneleigh as a result of such actions and, in addition, shall reimburse Stoneleigh for all of its reasonable out-of-pocket expenses incurred in connection with the letter of intent and the RFC

transaction. Additionally, if the deposit described below has been paid, RFC must also return such deposit. Stoneleigh has until May 30, 2009 to consummate with a transaction with RFC, subject to extension by Stoneleigh to August 31, 2009, with delivery by Stoneleigh of a \$1,000,000 deposit. In the event that a definitive agreement is not executed by August 31, 2009, RFC shall return the \$1,000,000 deposit.

As a result, Stoneleigh believes that a business combination with RFC will provide Stoneleigh stockholders with an opportunity to participate in a combined company with significant growth potential.

Stoneleigh's business combination with RFC is intended to be a "business combination" under Stoneleigh's charter. The charter currently provides that if Stoneleigh's corporate existence shall terminate on May 31, 2009, and that such provision may only be amended in connection with and become effective upon, the consummation of a business combination. As we explain below, Stoneleigh will not be able to complete the business combination by that date.

Our board of directors believes that decisions regarding Stoneleigh's future, such as whether to continue its existence or have its existence terminate, should be determined by Stoneleigh's current stockholders and they should not be bound by the restrictions implemented by the stockholders at the time of the IPO. The current stockholders should not be prohibited from amending the amended and restated certificate of incorporation to allow Stoneleigh to continue its existence, especially since all holders of public shares are being offered the opportunity to convert their public shares and receive their pro rata portion of the trust account in connection with the approval of the proposals which will occur close in time to May 31, 2009 as contemplated in the IPO prospectus.

Since the completion of its IPO, Stoneleigh has been dealing with many of the practical difficulties associated with the identification of a business combination target, negotiating the attendant business terms, conducting the related due diligence and obtaining the necessary audited financial statements of the business combination target. During the course of its search for a candidate, commencing promptly upon completion of its IPO, Stoneleigh identified, evaluated and entered into



discussions with over 50 companies. In particular, after closing the IPO in May 2007, Stoneleigh identified over 50 candidates for a potential transaction, however, discussions with those candidates never progressed beyond the preliminary stages. The Company first met with management of RFC in December 2008 and entered into a letter of intent on April 7, 2009 with respect to a business combination. From December 2008 until April 7, 2009, Stoneleigh has focused on a possible transaction with RFC. The parties believe that they will enter into a definitive purchase agreement in May 2009 and can complete the business combination on or before December 31, 2009.

As Stoneleigh believes the RFC transaction to be in the best interests of its stockholders, and because Stoneleigh will not be able to conclude the business combination with RFC by May 31, 2009, Stoneleigh has determined to seek stockholder approval to extend Stoneleigh's corporate existence until December 31, 2009. If the Extension Amendment is approved, Stoneleigh expects to seek stockholder approval of the business combination with RFC in the near future.

Stoneleigh's board of directors believes stockholders will benefit from Stoneleigh's transaction with RFC, and is proposing the Extension Amendment to extend Stoneleigh's corporate existence until December 31, 2009 and to allow for the Conversion.

The Extension Amendment would give Stoneleigh the opportunity to complete a business combination. Stockholder approval of the Conversion proposal will constitute stockholder approval of a distribution of substantially all of Stoneleigh's assets under Section 271 of the GCL, which will occur if the holders of a majority of the public shares elect to participate in the Conversion proposal and convert their shares into their pro rata portion of the trust account.

In addition, the removal of the Withdrawal Amount from the trust account in connection with the Conversion will reduce the amount remaining in the trust account and Stoneleigh's net asset value and increase the percentage interest of Stoneleigh's common stock held by Stoneleigh's directors, officers and senior advisors through the insider shares. Stoneleigh cannot predict the amount that will remain in the trust account if the Extension Amendment and Conversion proposal are approved.

We are not asking you to pass on the proposed RFC business combination at this time. If you vote in favor of the Extension Amendment and do not elect to convert your public shares, you will retain the right to vote on the proposed RFC business combination, which we expect to submit to stockholders for approval in the near future.

Q. Why should I vote for the Extension Amendment?

A. Stoneleigh's IPO prospectus stated that Stoneleigh would not take any action to amend or waive Article Sixth of its certificate of incorporation to allow it to continue its corporate existence beyond May 31, 2009, except in connection with, and to be effective upon, the consummation of a business combination. Since the completion of its IPO, Stoneleigh has been dealing with many of the practical difficulties associated with the identification of a business combination target, negotiating business terms with potential targets and conducting related due diligence. Commencing promptly upon completion of its IPO, Stoneleigh began to search for an appropriate business combination target. During the process, it relied on numerous business relationships and contacted investment bankers, private equity funds,

consulting firms, and legal and accounting firms. As a result of these efforts, Stoneleigh identified and reviewed information with respect to over 50 possible target companies. Primarily as a result of the difficult and deteriorating economic climate since its IPO, Stoneleigh has been dealing with significant challenges to identify suitable target business to present to its stockholders. As stated above in “Why is the Company proposing the Extension Amendment and the Conversion proposal?”, Stoneleigh identified RFC. As Stoneleigh believes the RFC transaction to be in the best interests of its stockholders, and because Stoneleigh will not be able to conclude the business combination with RFC by May 31, 2009, Stoneleigh has determined to seek stockholder approval to extend Stoneleigh’s corporate existence from May 31, 2009 until December 31, 2009 to allow Stoneleigh the opportunity to complete a business combination with RFC or another business combination. If the Extension Amendment is approved, Stoneleigh expects to seek stockholder approval of a business combination in the near future.

Stoneleigh's charter purports to prohibit amendment to certain of its provisions, including any amendment that would extend its corporate existence beyond May 31, 2009, except in connection with, and effective upon consummation of, a business combination. Stoneleigh's IPO prospectus did not suggest in any way that this charter provision, or the charter's other business combination procedures, were subject to change. We believe that these charter provisions were included to protect Stoneleigh stockholders from having to sustain their investments for an unreasonably long period, if Stoneleigh failed to find a suitable business combination in the timeframe contemplated by the charter, and the application of those investments without the stockholder review customarily provided for them. We also believe, however, that given Stoneleigh's expenditure of time, effort and money on several possible business combinations, including the RFC business combination, circumstances warrant providing those who believe they might find RFC to be an attractive investment an opportunity to consider the RFC transaction, inasmuch as Stoneleigh is also affording stockholders who wish to convert their public shares as originally contemplated the opportunity to do so as well. Accordingly, we believe that the Extension Amendment is consistent with the spirit in which Stoneleigh offered its securities to the public.

Stoneleigh has received an opinion from special Delaware counsel, Blank Rome LLP, concerning the validity of the Extension Amendment. Stoneleigh did not request Blank Rome to opine on whether the clause currently contained in Article Sixth of our charter prohibiting amendment of Article Sixth prior to consummation of a business combination was valid when adopted. Blank Rome concluded in its opinion, based upon the analysis set forth therein and its examination of Delaware law, and subject to the assumptions, qualifications, limitations and exceptions set forth in its opinion, that "the proposed Amendment, if duly approved by our board of directors (by vote of the majority of the directors present at a meeting at which a quorum is present or, alternatively, by unanimous written consent) and by the holders of a majority of the outstanding stock of Stoneleigh entitled to vote thereon, all in accordance with Section 242(b) of the GCL, would be valid and effective when filed with the Secretary of State in accordance with Sections 103 and 242 of the GCL." A copy of Blank Rome's opinion is included as Annex B to this proxy statement, and stockholders are

urged to review it in its entirety.

Q. Should I vote for the Conversion Proposal?

A. Whether a holder of public shares votes in favor of or against the Extension Amendment, the holder may, but is not required to, convert all or a portion of its public shares into the pro rata portion of the trust account represented by the converted shares. In order to convert your public shares, you must vote in favor of the Conversion proposal; however, if you vote in favor of the Conversion proposal, you are not required to convert your public shares. If at least a majority of the outstanding shares of common stock on the record date vote in favor of the Extension Amendment and Conversion proposal, and holders of a majority of the public shares elect to participate in the Conversion and convert their shares into their pro rata portion of the trust account, the stockholder approval of the Conversion will constitute stockholder approval of a distribution of substantially all of Stoneleigh's assets under Section 271 of the GCL.

7

---

Liquidation of the trust account is a fundamental obligation of Stoneleigh to the public stockholders and Stoneleigh is not proposing and will not propose to change that obligation to the public stockholders. If holders of public shares do not elect to convert their public shares, such holders shall retain conversion rights in connection with a business combination. Assuming the Extension Amendment is approved, Stoneleigh's corporate existence shall be extended until December 31, 2009, and, therefore, Stoneleigh will have until December 31, 2009 to complete a business combination.

Stoneleigh's board of directors recommends that you vote in favor of the Conversion proposal, but expresses no opinion as to whether you should convert your public shares.

Q. How do the Stoneleigh insiders intend to vote their shares?

A. All of Stoneleigh's directors, executive officers, senior advisors and their respective affiliates are expected to vote any common stock over which they have voting control (including any public shares owned by them) in favor of the Extension Amendment and Conversion proposal. Stoneleigh's directors, executive officers, senior advisors and their respective affiliates are not entitled to convert their insider shares. With respect to shares purchased on the open market by Stoneleigh's directors, executive officers, senior advisors and their respective affiliates, such public shares may be converted. On the record date, directors, executive officers and senior advisors of Stoneleigh and their affiliates beneficially owned and were entitled to vote 6,250,000 insider shares of Stoneleigh common stock, representing approximately 18.33% of Stoneleigh's issued and outstanding common stock and 1,240,200 public shares of Stoneleigh common stock, representing approximately an additional 3.62% of Stoneleigh's issued and outstanding stock.

In addition, affiliates may choose to buy public shares in the open market and/or through negotiated private purchases. In the event that purchases do occur, the purchasers may seek to purchase shares from stockholders who would otherwise have voted against the Extension Amendment. Any public shares held by or subsequently purchased by affiliates of Stoneleigh may be voted in favor of the Extension Amendment and the Conversion proposal.

Q. What vote is required to adopt the Extension Amendment?