

STONEMOR PARTNERS LP
Form 424B2
July 06, 2015
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Filed Pursuant to Rule 424(b)(2)
Registration Number 333-192670

The information in this prospectus supplement and the accompanying prospectus is not complete and may be changed. This prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion

Preliminary Prospectus Supplement dated July 6, 2015

PROSPECTUS SUPPLEMENT

(To prospectus dated December 16, 2013)

2,100,000 Common Units

StoneMor Partners L.P.

Representing Limited Partner Interests

We are selling 2,100,000 common units representing limited partner interests in us pursuant to this prospectus supplement and the accompanying prospectus.

Common units are traded on the New York Stock Exchange under the symbol STON. On July 2, 2015, the last reported sale price of common units on the New York Stock Exchange was \$31.49 per common unit.

You should consider the information set forth in Risk Factors beginning on page S-13 of this prospectus supplement and on page 5 of the accompanying prospectus and in the documents incorporated by reference in this prospectus supplement and the accompanying prospectus before buying common units.

	Per Common Unit	Total
Public offering price	\$	\$
Underwriting discount	\$	\$
Proceeds before expenses, to us	\$	\$

The underwriters may purchase up to an additional 315,000 common units from us at the public offering price, less the underwriting discount, within 30 days from the date of this prospectus supplement to cover overallocments, if any.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus to which it relates is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the common units to purchasers on or about _____, 2015.

Bookrunner

RAYMOND JAMES

Senior Co-Managers

JANNEY MONTGOMERY SCOTT

WUNDERLICH

Co-Managers

BB&T CAPITAL MARKETS

LADENBURG THALMANN

The date of this prospectus supplement is

, 2015.

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ABOUT THIS PROSPECTUS SUPPLEMENT

We are providing information to you about this offering of common units in two parts. The first part is this prospectus supplement, which provides the specific details regarding this offering. The second part is the accompanying prospectus, which provides general information. Generally, unless the context otherwise requires, when we refer to this prospectus, we are referring to both documents combined, as well as to the documents incorporated by reference in this prospectus supplement and the accompanying prospectus. Some of the information in the accompanying prospectus may not apply to this offering. If information in this prospectus supplement is inconsistent with the accompanying prospectus, you should rely on this prospectus supplement.

Any statement made in this prospectus or in a document incorporated or deemed to be incorporated by reference into this prospectus will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus or in any other subsequently filed document that is also incorporated by reference into this prospectus modifies or supersedes that statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus. The sections captioned **Where You Can Find More Information** and **Information Regarding Forward-Looking Statements** in the accompanying prospectus are superseded in their entirety by the similarly titled sections included in this prospectus supplement.

You should rely only on the information contained in or incorporated by reference in this prospectus. We have not, and the underwriters have not, authorized anyone to provide you with information that is different from that contained in this prospectus. If anyone provides you with different or inconsistent information, you should not rely on it. We are offering to sell common units and seeking offers to buy common units only in jurisdictions where offers and sales are permitted. You should assume that the information appearing in this prospectus, as well as information we previously filed with the Securities and Exchange Commission, or the SEC, and incorporated herein by reference, is accurate only as of their respective dates or other dates which are specified in those documents, regardless of the time of delivery of this prospectus or of any sale of the common units. Our business, financial condition, results of operations and prospects may have changed since those dates.

INFORMATION REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained or incorporated by reference in this prospectus, including, but not limited to, information regarding the status and progress of our operating activities, the plans and objectives of our management, assumptions regarding our future performance and plans, and any financial guidance provided or guidance related to our future distributions, as well as certain information in our other filings with the SEC and elsewhere, are forward-looking statements.

Generally, the words **believe, may, will, estimate, continue, anticipate, intend** (including, but not limited to our intent to maintain or increase distributions), **project, expect, predict** and similar expressions identify these forward-looking statements.

These forward-looking statements are made subject to certain risks and uncertainties that could cause actual results to differ materially from those stated or implied. Our major risk is related to uncertainties associated with the cash flow from our pre-need and at-need sales, our trusts, and financings, which may impact our ability to meet our financial projections, our ability to service our debt and pay distributions, and our ability to increase our distributions.

Our additional risks and uncertainties include, but are not limited to, the following:

uncertainties associated with future revenue and revenue growth;

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uncertainties associated with the integration or anticipated benefits of our recent acquisitions or any future acquisitions;

our ability to complete and fund additional acquisitions;

the effect of economic downturns;

the impact of our significant leverage on our operating plans;

the decline in the fair value of certain equity and debt securities held in our trusts;

our ability to attract, train and retain an adequate number of sales people;

uncertainties associated with the volume and timing of pre-need sales of cemetery services and products;

increased use of cremation;

changes in the death rate;

changes in the political or regulatory environments, including potential changes in tax accounting and trusting policies;

our ability to successfully implement a strategic plan relating to achieving operating improvements, strong cash flows and further deleveraging;

our ability to successfully compete in the cemetery and funeral home industry;

litigation or legal proceedings that could expose us to significant liabilities and damage our reputation;

the effects of cyber security attacks due to our significant reliance on information technology;

uncertainties relating to the financial condition of third-party insurance companies that fund our pre-need funeral contracts; and

various other uncertainties associated with the death care industry and our operations in particular.

Forward-looking statements contained or incorporated by reference in this prospectus present our views only as of the date of the applicable document containing such forward-looking statements. When considering forward-looking statements, you should keep in mind the risk factors and other cautionary statements set forth in Risk Factors and other sections in this prospectus supplement and the accompanying prospectus and in our Annual Report on Form 10-K for the fiscal year ended December 31, 2014 filed with the SEC on March 16, 2015, or the 2014 Form 10-K, our Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2015 filed with the SEC on May 8, 2015, or the First Quarter 2015

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Form 10-Q, and our Form 8-K filed with the SEC on July 6, 2015, each of which is incorporated herein by reference. Except as required by federal and state securities laws, we assume no obligation to update or revise any forward-looking statements made herein or any other forward-looking statements made by us, whether as a result of new information, future events or otherwise.

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SUMMARY

This summary highlights information about our business and about this offering contained elsewhere in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference. It does not contain all of the information that you should consider before making an investment decision. You should read this entire prospectus supplement and the accompanying prospectus, as well as the documents incorporated by reference herein and therein in their entirety, including the risk factors and our financial statements and related notes, before making an investment decision. You should carefully consider the information set forth under **Risk Factors** beginning on page S-13 of this prospectus supplement and page 5 of the accompanying prospectus about important risks that you should consider before buying common units in this offering. Unless we indicate otherwise, the information we present in this prospectus supplement assumes that the underwriters do not exercise their option to purchase additional common units.

In this prospectus supplement, unless the context otherwise requires, references to **we**, **us**, **our**, or the **Partnership** are to StoneMor Partners L.P., its subsidiaries and its general partner collectively and references to **our general partner** refer to StoneMor GP LLC, the general partner of StoneMor Partners L.P.

StoneMor Partners L.P.

We are, as of March 31, 2015, the second largest owner and operator of cemeteries in the United States. As of March 31, 2015, we operated 303 cemeteries in 27 states and Puerto Rico. We own 272 of these cemeteries and we manage or operate the remaining 31 under lease, operating or management agreements. As of March 31, 2015, we also owned and operated 98 funeral homes in 19 states and Puerto Rico. Forty-five of our funeral homes are located on the grounds of the cemeteries that we own.

We were formed as a Delaware limited partnership in April 2004. Unlike certain of our competitors that are not treated as partnerships for federal income tax purposes, our primary business objective is to increase distributable cash flow over time for our unitholders. We aim to set unitholder distributions at a level that can be sustained over time, while maintaining resources sufficient for the ongoing stability and growth of our business.

As of March 31, 2015, we were the only one of the three publicly traded U.S. death care companies that derives a majority of its revenue from cemetery operations rather than funeral home services. In the three months ended March 31, 2015, our total revenues were approximately \$67.4 million.

The cemetery products and services that we sell include the following:

Interment Rights	Merchandise	Services
burial lots	burial vaults	installation of burial vaults
lawn crypts	caskets	installation of caskets
mausoleum crypts	grave markers and grave marker bases	installation of other cemetery merchandise
cremation niches	memorials	other service items

perpetual care rights

We sell these products and services both at the time of death, which we refer to as at-need, and prior to the time of death, which we refer to as pre-need. We market our products and services

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through an experienced staff of commissioned sales representatives. We had 897 of these full-time representatives on staff as of March 31, 2015. Our sales of real property, including burial lots (with and without installed vaults), lawn and mausoleum crypts and cremation niches, generate qualifying income sufficient for us to be treated as a partnership for federal income tax purposes.

For the year ended December 31, 2014 and the three months ended March 31, 2015, we performed 50,566 and 14,612 burials, respectively, and sold 35,426 and 8,037 interment rights (net of cancellations), respectively. Based on our sales of interment spaces in 2014, our cemeteries have an aggregated weighted average estimated remaining sales life of 247 years. As of March 31, 2015, we do not believe there has been any material change to the weighted average estimated remaining sales life of our cemeteries.

As of March 31, 2015, our cemetery properties were located in Alabama, California, Colorado, Delaware, Florida, Georgia, Hawaii, Illinois, Indiana, Iowa, Kansas, Kentucky, Maryland, Michigan, Mississippi, Missouri, New Jersey, North Carolina, Ohio, Oregon, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, Tennessee, Virginia, Washington and West Virginia. For the year ended December 31, 2014 and the three months ended March 31, 2015, our cemetery operations accounted for approximately 83.1% and 77.4% of our total revenues, respectively.

Our primary funeral home products are caskets and related items. Our funeral home services include consultation, the removal and preparation of remains and the use of funeral home facilities for visitation and prayer services.

As of March 31, 2015, our funeral homes were located in Alabama, Arkansas, California, Florida, Illinois, Indiana, Kansas, Maryland, Mississippi, Missouri, North Carolina, Ohio, Oregon, Pennsylvania, Puerto Rico, South Carolina, Tennessee, Virginia, Washington and West Virginia. For the year ended December 31, 2014 and the three months ended March 31, 2015, our funeral home revenues accounted for approximately 16.9% and 22.6% of our total revenues, respectively. Our funeral home operations are conducted through various wholly owned subsidiaries that are treated as corporations for U.S. federal income tax purposes.

Competitive Strengths

We believe that the following competitive strengths contribute to our position as a leading cemetery operator:

Long-lived and Geographically Diverse Cemeteries. We have a large portfolio of cemetery properties, which will enable us to offer cemetery products and services in the markets we serve for many years. Because we operate cemeteries in 27 states and Puerto Rico, we have not historically been materially affected by localized economic downturns or changes in laws regulating cemetery operations in any one state. Our portfolio consisted of 303 cemetery properties with a total of approximately 15,716 acres as of December 31, 2014. Our cemeteries have an aggregated weighted average estimated remaining sales life of 247 years based upon interment spaces sold in 2014. In addition, we increase capacity in our cemeteries by building mausoleum crypts and lawn crypts as the number of unsold lots decreases.

Highly Trained and Professional Sales Force. Our highly trained and professional sales force is the key to our success in executing our pre-need sales strategy. We had 897 full-time commissioned sales representatives and 122 full-time sales support and telemarketing employees as of March 31, 2015.

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Ability to Successfully Execute and Integrate Acquisitions. Our acquisitions have been based on targeted guidelines that include projected cash flow and profitability, location, heritage and reputation, physical size, market value and volume of pre-need business. We believe our targeted approach, combined with our management team's industry contacts and experience will allow us to continue to maintain a competitive advantage in executing and integrating acquisitions. Since going public in September 2004, we have successfully acquired, integrated and continue to operate 171 cemeteries and 91 funeral homes into our operations as of March 31, 2015. With the completion of this offering, we expect to have the ability to fund additional acquisition opportunities should they arise. We expect to continue to see businesses become available for purchase that meet our acquisition criteria.

Diversified Product Mix. Our mix of pre-need cemetery merchandise and services and at-need cemetery and funeral home merchandise and services represents a diversified product mix that allows us to provide customers with a comprehensive product offering. These products and services provide us with a presence in the major segments of the death care industry.

Operating Efficiencies Attributable to Our Size. Due to our size, we are able to generate economies of scale and operating efficiencies. These include shared best practices in the area of pre-need marketing, lower purchasing costs for cemetery and funeral home merchandise through volume purchasing, lower operating expenses through centralized administrative functions, shared maintenance equipment and personnel and more effective strategic and financial planning. As a result, we are able to compete favorably in the areas we serve and to potentially improve the profitability of cemetery operations we acquire.

Oversight and Management of Trust Assets to Preserve Capital and Generate Income. While our business model calls for us to release funds from our merchandise trusts on an accelerated basis upon pre-need delivery and performance, at any point in time we will have a significant amount of invested assets. We have employed an investment strategy that focuses on a balanced approach to preserving capital while generating returns in excess of current inflation rates. We invest the funds held in merchandise trusts and perpetual care trusts in investments in intermediate term, investment grade, fixed income securities, high-yield fixed income securities, real estate investment trusts, master limited partnerships and, to a lesser extent, other types of equity securities and cash. The funds that are held in trusts are managed by third-party professional investment managers within specified investment guidelines adopted by the Trust Committee of the board of directors of our general partner and standards imposed by state law. Our merchandise trusts had an aggregate market value of approximately \$488.0 million as of March 31, 2015. Our perpetual care trusts had an aggregate market value of approximately \$345.2 million as of March 31, 2015.

Experienced Management Team. We believe that we have one of the most experienced management teams in the death care industry, led by Lawrence Miller, our President and Chief Executive Officer, who has extensive senior-level experience in managing large death care companies. Our eight senior officers have an average industry experience of over 25 years.

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Business Strategies

Our primary business objective is to increase distributable cash flow over time for our unitholders. We attempt to achieve this objective by employing the following core strategies:

Develop and Maintain a Diversified Revenue Stream. Our business model is constructed so that sales revenues are generated from pre-need sales of cemetery merchandise and services as well as at-need sales of cemetery merchandise and services and at-need or pre-need sales of funeral home merchandise and services. This diverse revenue stream should prove to be more stable over economic cycles than a more concentrated revenue stream.

Sales of pre-need merchandise and services allow us to focus on sales to new customers and sales of additional merchandise to existing customers in order to establish a loyal customer base. These sales tend to generate additional pre-need sales and at-need sales to close family members of our pre-need customers. We have developed a sales force and marketing platform dedicated to this revenue stream. This marketing platform is built around direct response marketing programs and relationship marketing. This has improved the quality of our company-generated sales leads, which in turn has led to improved sales from these sources. We have also established an inside sales department to create an additional avenue for customers to purchase our products and services. The inside sales representatives work hand-in-hand with their counterparts in the field, and their joint efforts have helped to increase the amount of sales per customer.

Sales of at-need cemetery merchandise and services and funeral home merchandise and services are a complement to our pre-need sales program. From a strategic standpoint, they also provide us with a revenue stream that is less sensitive to changes in economic cycles and requires less significant upfront sales and marketing resources as compared to sales of pre-need services.

Consistently Review and Improve Operating Efficiencies. We have a dedicated senior executive team that actively monitors our operating costs and efficiently executes cost-containment and operational improvement strategies. We believe this team is quick to react to changes in the marketplace and implement both long- and short-term strategies that allow us to meet our primary objective on a continuing basis.

Purchase Products and Perform Services That Are Subject to Trusting Requirements in Advance of the Time of Need. We are required by various state laws to deposit a portion of funds that we receive from our pre-need sales of cemetery merchandise and services into merchandise trusts to ensure that we will have sufficient funds in the future to purchase these products and perform these services. In many cases, we are allowed to release these funds from the trust once we have delivered the product or performed the services. We have instituted a program wherein we deliver certain of these products or perform certain of these services in advance of the time of need, thereby allowing us to release the funds from trust and relieve ourselves of the obligation of trusting any additional funds. This in turn makes cash available to pay operating expenses, pursue investment opportunities, service debt and make distributions.

Integrate Additional Cemeteries and Funeral Homes. One of our core strategies is to grow our business through the acquisition or management of additional properties. We plan to continue to evaluate potential opportunities and identify properties that we believe complement our existing portfolio.

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Structure and Management

Our operations are conducted through, and our operating assets are owned by, our direct and indirect subsidiaries. We have one direct subsidiary, StoneMor Operating LLC, a limited liability company that owns equity interests in a number of our subsidiary operating companies.

Our general partner, StoneMor GP LLC, manages our operations and activities. Our general partner does not receive any management fee or other compensation in connection with its management of our business, but is reimbursed for expenses that it incurs on our behalf and holds incentive distribution rights in us. Certain current directors, affiliates of certain directors and current and former officers of our general partner hold indirect interests in our general partner. Our principal executive offices are located at 311 Veterans Highway, Suite B, Levittown, Pennsylvania 19056, and our phone number is (215) 826-2800. Our website is located at <http://www.stonemor.com>. Information on our website is not incorporated by reference into this prospectus supplement and accompanying prospectus and does not constitute a part of this prospectus supplement and accompanying prospectus.

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Organizational Structure

The following diagram depicts our organizational structure and ownership giving effect to the offering of common units contemplated by this prospectus supplement:

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The Offering

Common units offered	2,100,000 common units
Common units outstanding after this offering	31,412,692 common units, or 31,727,692 if the underwriters exercise in full their option to purchase an additional 315,000 common units.
Use of proceeds	<p>We estimate that our net proceeds from this offering will be approximately \$59.6 million after deducting underwriting discount and offering expenses payable by us (\$68.7 million if the underwriters exercise in full their option to purchase additional common units). These estimated proceeds are based on an assumed public offering price of \$31.49 per common unit, the last reported sales price of the common units on the New York Stock Exchange on July 2, 2015.</p> <p>We intend to use approximately \$59.6 million, subject to certain adjustments, of the net proceeds from this offering to pay down outstanding indebtedness under our revolving credit facility.</p> <p>If the underwriters exercise their option to purchase additional common units in full, we will use the additional net proceeds to pay down outstanding indebtedness under our revolving credit facility.</p> <p>An affiliate of Raymond James & Associates, Inc. is a lender under our credit facility and as such will receive a portion of the proceeds from this offering. See <i>Use of Proceeds</i> in this prospectus supplement.</p>
Cash distributions	<p>Within 45 days after the end of each quarter, we distribute our available cash from operations, after we have paid our expenses, funded merchandise and perpetual care trusts and established necessary cash reserves, to unitholders of record on the applicable record date. In general, after giving effect to this offering, we will pay any cash distributions we make each quarter 98.74% to all common units, pro rata, and 1.26% to our general partner, until each common unit has received a distribution of \$0.5125. If cash distributions per common unit exceed \$0.5125 in any quarter, our general partner will receive increasing percentages, up to a maximum of 49.26%, of the cash we distribute in excess of that amount. We refer to these additional distributions as incentive distributions. For a discussion of our cash distribution policy, see <i>Cash Distribution Policy</i> in the accompanying prospectus. For information about our recent distributions, see <i>Price Range of Our Common Units and Distributions</i> in this prospectus supplement.</p>

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Through the quarterly distribution payable for the quarter ending June 30, 2018, distributions paid to American Cemeteries Infrastructure Investors, LLC, or ACII, which acquired 2,255,947 common units, or the Purchased Units, pursuant to a private placement on May 21, 2014, on the Purchased Units may be paid in cash, common units issued to ACII in lieu of cash distributions, which we refer to as the Distribution Units, or a combination of cash and Distribution Units, as determined by the Partnership in its sole discretion. If the Partnership elects to pay distributions through the issuance of Distribution Units, the number of common units to be issued in connection with a quarterly distribution will be the quotient of (A) the amount of the quarterly distribution paid on the common units by (B) the volume-weighted average price of the common units for the thirty (30) trading days immediately preceding the date a quarterly distribution is declared with respect to the common units. Beginning with the quarterly distribution payable with respect to the quarter ending September 30, 2018, the Purchased Units will receive cash distributions on the same basis as all other common units, and the Partnership will no longer have the ability to elect to pay quarterly distributions in kind through the issuance of Distribution Units. On August 14, 2014, November 14, 2014, February 16, 2015 and May 15, 2015, the Partnership issued 57,062 Distribution Units, 54,678 Distribution Units, 54,622 Distribution Units and 49,911 Distribution Units, respectively, to ACII in lieu of aggregate cash distributions of approximately \$5.6 million.

Issuance of additional units

We may issue an unlimited number of limited partner interests of any type without the approval of the unitholders.

Limited voting rights

Our general partner manages and operates us. Unlike the holders of common stock in a corporation, you will have only limited voting rights on matters affecting our business. You will have no right to elect our general partner or its directors on an annual or other continuing basis. Our general partner may not be removed except by a vote of the holders of at least 66 2/3% of the outstanding units, including any units owned by our general partner and its affiliates, voting together as a single class. After giving effect to this offering, affiliates of our general partner will own approximately 8.95% of the common units. See Description of the Common Units Voting Rights in the accompanying prospectus.

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Limited call right	If at any time our general partner and its affiliates own more than 80% of the outstanding common units, our general partner has the right, but not the obligation, to purchase all of the remaining common units at a price not less than the then-current market price of the common units.
Estimated ratio of taxable income to distributions	We estimate that if you hold the common units that you purchase in this offering through December 31, 2017, you will be allocated, on a cumulative basis, an amount of taxable income for that period that will be 30% or less of the cash distributed to you with respect to that period. Thereafter, we anticipate that the ratio of allocable taxable income to cash distributions to the unitholders will increase. See U.S. Federal Income Tax Considerations in this prospectus supplement.
Material U.S. federal income tax consequences	For a discussion of other material federal income tax consequences that may be relevant to prospective unitholders who are individual citizens or residents of the United States, see U.S. Federal Income Tax Considerations in this prospectus supplement and Material U.S. Federal Income Tax Consequences in the accompanying prospectus.
Risk factors	You should refer to the section entitled Risk Factors in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein to ensure you understand the risks associated with an investment in our common units.
New York Stock Exchange symbol	STON

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The following tables present our summary historical consolidated financial and operating data for the periods and as of the dates indicated. Our summary historical consolidated financial data as of December 31, 2014 and 2013 and for the years ended December 31, 2014, 2013 and 2012 are derived from our audited historical consolidated financial statements and are incorporated by reference into this prospectus supplement. Our summary historical consolidated financial data as of December 31, 2012 are derived from our audited historical consolidated financial statements, which are not included in this prospectus. Our summary historical consolidated financial data as of March 31, 2015 and for the three months ended March 31, 2015 and 2014 are derived from our unaudited historical consolidated financial statements and are incorporated by reference into this prospectus supplement. Our summary historical consolidated financial data as of March 31, 2014 are derived from our unaudited historical consolidated financial statements, which are not included in this prospectus supplement.

In the opinion of our management, our unaudited historical consolidated financial statements have been prepared on the same basis as our audited historical consolidated financial statements and contain all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of our financial position and results of operations for the relevant periods.

The results of operations for the interim periods are not necessarily indicative of the operating results for the entire year or any future period. The following tables should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and the audited and unaudited historical consolidated financial statements and accompanying notes thereto included in the 2014 Form 10-K and our First Quarter 2015 Form 10-Q, each of which is incorporated by reference in this prospectus supplement.

	As of and for the Year Ended December 31,			As of and for the Three Months Ended March 31,	
	2014	2013	2012	2015	2014
(dollars in thousands, except per unit data)					
Statement of Operations Data:					
Cemetery revenues:					
Merchandise	\$ 132,355	\$ 110,673	\$ 114,025	\$ 26,937	\$ 26,068
Services	51,827	44,054	46,094	13,910	10,297
Investment and other	55,217	46,959	46,808	11,310	16,275
Funeral home revenues:					
Merchandise	21,060	18,922	15,551	7,075	5,052
Services	27,626	26,033	20,128	8,185	6,695
Total revenues	288,085	246,641	242,606	67,417	64,387
Cost of goods sold (exclusive of depreciation shown separately below):					
Perpetual care	6,867	5,656	5,715	1,667	1,391
Merchandise	26,785	22,203	22,386	5,416	6,113
Cemetery expense	64,672	57,566	55,410	16,265	13,329
Selling expense	55,277	47,832	46,878	13,910	11,189
General and administrative expense	35,110	31,873	28,928	9,329	7,645
Corporate overhead (1)	32,454	28,875	28,169	8,734	7,456
Depreciation and amortization	11,081	9,548	9,431	2,952	2,368

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	As of and for the Year Ended December 31,			As of and for the Three Months Ended March 31,	
	2014	2013	2012	2015	2014
	(dollars in thousands, except per unit data)				
Funeral home expense:					
Merchandise	6,659	5,569	5,200	2,376	1,646
Services	20,470	19,190	14,574	5,593	4,787
Other	12,581	10,895	8,951	4,181	2,853
Acquisition related costs, net of recoveries	2,269	1,051	3,123	349	349
Total costs and expenses	274,225	240,258	228,765	70,772	59,126
Operating profit (loss)	13,860	6,383	13,841	(3,355)	5,261
Other income and expense:					
Gain on sale of other assets		155			
Gain on sale of funeral home	244				
Gain on acquisitions	412	2,530	122		412
Gain on termination of operating agreement			1,737		
Gain on settlement agreement, net	888	12,261			
Loss on impairment of long-lived assets	440				
Loss on early extinguishment of debt	214	21,595			
Interest expense	21,610	21,070	20,503	5,463	5,574
(Loss) income before income taxes	(6,860)	(21,336)	(4,803)	(8,818)	99
Income tax expense (benefit)	3,913	(2,304)	(1,790)	65	(310)
Net (loss) income	\$ (10,773)	\$ (19,032)	\$ (3,013)	\$ (8,883)	\$ 409
Net (loss) income per limited partner unit (basic and diluted)	\$ (0.40)	\$ (0.89)	\$ (0.15)	\$ (0.30)	\$ 0.02
Weighted average number of limited partners units (basic)	26,582	20,954	19,445	29,230	22,493
Weighted average number of limited partners units (diluted)	26,582	20,954	19,445	29,230	22,787
Distributions declared per unit	\$ 2.430	\$ 2.385	\$ 2.350	\$ 0.630	\$ 0.600
Balance Sheet Data (at period end):					
Cash and cash equivalents	\$ 10,401	\$ 12,175	\$ 7,946	\$ 6,397	\$ 8,240
Accounts receivable, net of allowance	62,503	55,415	51,895	65,429	55,809
Long-term accounts receivable, net of allowance	89,536	78,367	71,521	91,088	80,484
Cemetery property	339,848	316,469	309,980	339,821	314,909
Property and equipment, net of accumulated depreciation	100,391	85,007	79,740	99,569	84,555
Merchandise trusts, restricted, at fair value	484,820	431,556	375,973	488,007	449,853
Perpetual care trusts, restricted, at fair value	345,105	311,771	282,313	345,183	318,154
Total assets (2)	1,699,464	1,474,343	1,343,725	1,705,353	1,492,967
Total debt	287,629	291,932	254,949	298,848	253,609
Merchandise liability	150,192	130,412	125,869	150,195	131,817
Total partners capital	208,762	107,520	135,182	182,203	147,987

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	As of and for the Year Ended December 31,			As of and for the Three Months Ended March 31,	
	2014	2013	2012	2015	2014
(dollars in thousands, except per unit data)					
Other Financial Data:					
Net cash provided by (used in) operating activities	\$ 19,448	\$ 35,077	\$ 31,896	\$ 5,853	\$ (2,940)
Net cash used in investing activities	(123,658)	(26,697)	(39,948)	(2,815)	(2,278)
Net cash provided by (used in) financing activities	102,436	(4,151)	3,940	(7,042)	1,283
Depreciation and amortization	11,081	9,548	9,431	2,952	2,368
Cash paid for cemetery property	(6,176)	(5,766)	(7,098)	(1,501)	(748)
Cash distributions	(62,836)	(52,053)	(47,454)	(17,948)	(13,391)
Operating Data:					
Interments performed	50,566	45,470	45,128	14,612	11,313
Cemetery revenues per interment performed	\$ 4,734	\$ 4,436	\$ 4,585	\$ 3,569	\$ 4,653
Interment rights sold (3):					
Lots	31,774	27,339	26,638	7,050	5,277
Mausoleum crypts (including pre-construction)	2,186	2,108	2,206	618	564
Niches	1,466	1,096	985	369	261
Net interment rights sold (3)	35,426	30,543	29,829	8,037	6,102
Number of contracts written	111,519	102,047	98,297	29,481	23,831
Aggregate contract amount, in thousands (excluding interest)	\$ 299,026	\$ 268,621	\$ 251,999	\$ 78,304	\$ 63,672
Average amount per contract (excluding interest)	\$ 2,681	\$ 2,632	\$ 2,564	\$ 2,656	\$ 2,672
Number of pre-need contracts written	54,169	51,737	48,131	13,701	11,928
Aggregate pre-need contract amount, in thousands (excluding interest)	\$ 196,487	\$ 180,326	\$ 163,627	\$ 50,028	\$ 41,762
Average amount per pre-need contract (excluding interest)	\$ 3,627	\$ 3,485	\$ 3,400	\$ 3,651	\$ 3,501
Number of at-need contracts written	57,350	50,310	50,166	15,780	11,903
Aggregate at-need contract amount, in thousands (excluding interest)	\$ 102,539	\$ 88,295	\$ 88,372	\$ 28,276	\$ 21,910
Average amount per at-need contract (excluding interest)	\$ 1,788	\$ 1,755	\$ 1,762	\$ 1,792	\$ 1,841

- (1) Includes unit-based compensation of \$1,068 thousand, \$1,370 thousand and \$916 thousand, in the years ended December 31, 2014, 2013 and 2012, respectively, and \$272 thousand and \$271 thousand in unit-based compensation for the three months ended March 31, 2015 and March 31, 2014, respectively.
- (2) Includes the fair value of assets held in the merchandise and perpetual care trusts. Refer to Note 1 of our audited consolidated financial statements included in the 2014 Form 10-K and Note 1 of our unaudited condensed consolidated financial statements included in the First Quarter 2015 Form 10-Q for a detailed discussion of the consolidation rules for these assets.
- (3) Net of cancellations. Sales of double-depth burial lots are counted as two sales.

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RISK FACTORS

*An investment in our common units is subject to risks and uncertainties. You should carefully consider the risks described in the section titled **Risk Factors** included in Item 1A of Part I of the 2014 Form 10-K and the risk factors described in our Form 8-K filed with the SEC on July 6, 2015, together with all of the other information included in this prospectus supplement, before making an investment decision. Realization of these risks could materially adversely affect our business, financial condition or results of operations. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially adversely affect our business operations. In such case, you may lose all or part of your original investment. Also, please read **Information Regarding Forward-Looking Statements** in this prospectus supplement.*

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USE OF PROCEEDS

We estimate that we will receive net proceeds of approximately \$59.6 million from this offering after deducting underwriting discount and offering expenses (\$68.7 million if the underwriters exercise in full their option to purchase additional common units). These estimated proceeds are based on an assumed public offering price of \$31.49 per common unit, the last reported sales price of the common units on the New York Stock Exchange on July 2, 2015.

We intend to use approximately \$59.6 million, subject to certain adjustments, of the net proceeds from this offering to pay down outstanding indebtedness under our revolving credit facility.

If the underwriters exercise their option to purchase additional common units in full, we will use the additional net proceeds to pay down outstanding indebtedness under our revolving credit facility.

Amounts to be paid down under our credit facility were incurred for acquisitions and general partnership purposes, including for working capital needs and to fund our capital expenditure program.

Our credit facility will mature on December 19, 2019, and the interest rate on amounts outstanding under our credit facility at March 31, 2015 was approximately 3.5%. As of March 31, 2015, we had approximately \$122.9 million of borrowings outstanding under our credit facility, consisting of \$97.9 million of working capital draws and \$25.0 million of acquisition draws, and, as of July 2, 2015, we had approximately \$155.9 million of borrowings outstanding under our credit facility, consisting of \$130.9 million of working capital draws and \$25.0 million of acquisition draws. See Management's Discussion and Analysis of Financial Condition and Results of Operations included in our 2014 Form 10-K and our First Quarter 2015 Form 10-Q, each of which is incorporated by reference into this prospectus supplement.

An affiliate of Raymond James & Associates, Inc. is a lender under our credit facility and as such will receive a portion of the proceeds from this offering. See Underwriting FINRA Conduct Rules in this prospectus supplement.

Table of Contents**CAPITALIZATION**

The following table sets forth our cash and cash equivalents and capitalization as of March 31, 2015:

on an actual basis; and

on an as adjusted basis to reflect the consummation of this offering and the use of the net proceeds from this offering in the manner described in Use of Proceeds.

This table should be read in conjunction with the audited and unaudited historical consolidated financial statements and accompanying notes thereto for the year ended December 31, 2014 included in the 2014 Form 10-K and our First Quarter 2015 Form 10-Q, each of which is incorporated by reference in this prospectus supplement and the accompanying prospectus.

	As of March 31, 2015	
	Actual	As Adjusted
	(in thousands)	
Cash and cash equivalents	\$ 6,397	\$ 6,397
Long-term debt, including current portion:		
7.875% Senior notes due 2021	\$ 175,000	\$ 175,000
Credit facility(a)	122,902	
Notes payable acquisition debt	819	819
Note payable acquisition non-competes	2,396	2,396
Insurance and vehicle financing	1,121	1,121
Total long-term debt, including current portion	\$ 302,238	\$
Partners capital:		
Common units	188,407	
General partner deficit	(6,204)	(6,204)
Total partners capital	182,203	
Total capitalization	\$ 484,441	\$

(a) As of July 2, 2015, we had approximately \$155.9 million of borrowings outstanding under our credit facility, consisting of \$130.9 million of working capital draws and \$25.0 million of acquisition draws.

Table of Contents**PRICE RANGE OF OUR COMMON UNITS AND DISTRIBUTIONS**

As of June 30, 2015, we had 29,312,692 common units outstanding, held by 54 holders of record. Our common units are traded on the New York Stock Exchange under the symbol STON.

The following table sets forth, for the periods indicated, the high and low sales prices for our common units based on the daily composite listing of common unit transactions for the New York Stock Exchange and quarterly declared cash distributions per unit. The last reported sales price of our common units on the New York Stock Exchange on July 2, 2015 was \$31.49 per common unit.

	Price Range		Cash Distributions Per Common Unit (1)
	High	Low	
Year ending December 31, 2015			
Third Quarter (through July 2, 2015)	\$ 31.65	\$ 30.39	\$ n/a(2)
Second Quarter	30.92	28.73	n/a(3)
First Quarter	29.13	25.65	0.6400
Year ended December 31, 2014			
Fourth Quarter	\$ 27.14	\$ 24.00	\$ 0.6300
Third Quarter	26.35	23.50	0.6200
Second Quarter	25.30	23.35	0.6100
First Quarter	26.69	21.75	0.6000
Year ended December 31, 2013			
Fourth Quarter	\$ 26.51	\$ 23.56	\$ 0.6000
Third Quarter	26.99	21.23	0.6000
Second Quarter	28.00	23.63	0.6000
First Quarter	26.99	21.51	0.5950

- (1) Represents cash distributions attributable to the quarter. Distributions are declared and paid within 45 days of the close of each quarter.
- (2) Subject to the declaration by the board of directors of our general partner of a cash distribution with respect to the third quarter of 2015, purchasers of the common units in this offering will receive a cash distribution in November 2015, assuming they remain record holders of the common units as of the record date for such cash distribution.
- (3) Subject to the declaration by the board of directors of our general partner of a cash distribution with respect to the second quarter of 2015, purchasers of the common units in this offering will receive their first cash distribution in August 2015.

Through the quarterly distribution payable for the quarter ending June 30, 2018, distributions paid to ACII on the Purchased Units may be paid in cash, Distribution Units, or a combination of cash and Distribution Units, as determined by us in our sole discretion. If we elect to pay distributions through the issuance of Distribution Units, the number of common units to be issued in connection with a quarterly distribution will be the quotient of (A) the amount of the quarterly distribution paid on the common units by (B) the volume-weighted average price of the common units for the thirty (30) trading days immediately preceding the date a quarterly distribution is declared with respect to the common units. Beginning with the quarterly distribution payable with respect to the quarter ending September 30, 2018, the Purchased Units will receive cash distributions on the same basis as all other common units and we will no longer have the ability to elect to pay quarterly distributions in kind through the issuance of Distribution Units. On August 14, 2014, November 14, 2014, February 16, 2015 and May 15, 2015 the Partnership issued 57,062 Distribution Units, 54,678 Distribution Units, 54,622 Distribution Units and 49,911 Distribution Units, respectively, to ACII in lieu of aggregate cash distributions of approximately \$5.6 million.

Table of Contents**SELECTED HISTORICAL CONSOLIDATED FINANCIAL AND OPERATING DATA**

The following tables present our selected historical consolidated financial and operating data for the periods and as of the dates indicated. Our selected historical consolidated financial data as of December 31, 2014 and 2013 and for the years ended December 31, 2014, 2013 and 2012 are derived from our audited historical consolidated financial statements and are incorporated by reference into this prospectus supplement. Our selected historical consolidated financial data as of December 31, 2012 are derived from our audited historical consolidated financial statements, which are not included in this prospectus supplement. Our selected historical consolidated financial data as of and for each of the years ended December 31, 2011 and 2010 have been derived from our audited consolidated financial statements for such years, which are not included in this prospectus supplement. Our selected historical consolidated financial data as of March 31, 2015 and for the three months ended March 31, 2015 and 2014 are derived from our unaudited historical consolidated financial statements and are incorporated by reference into this prospectus supplement. Our selected historical consolidated financial data as of March 31, 2014 are derived from our unaudited historical consolidated financial statements, which are not included in this prospectus supplement.

In the opinion of our management, our unaudited historical consolidated financial statements have been prepared on the same basis as our audited historical consolidated financial statements and contain all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of our financial position and results of operations for the relevant periods.

The results of operations for the interim periods are not necessarily indicative of the operating results for the entire year or any future period. The following tables should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and the audited and unaudited historical consolidated financial statements and accompanying notes thereto included in the 2014 Form 10-K and our First Quarter 2015 Form 10-Q, each of which is incorporated by reference in this prospectus supplement.

	As of and for the Year Ended December 31,					As of and for the Three Months Ended March 31,	
	2014	2013	2012	2011	2010	2015	2014
	(dollars in thousands, except per unit data)						
Statement of Operations Data:							
Cemetery revenues:							
Merchandise	\$ 132,355	\$ 110,673	\$ 114,025	\$ 108,088	\$ 94,898	\$ 26,937	\$ 26,068
Services	51,827	44,054	46,094	46,995	40,951	13,910	10,297
Investment and other	55,217	46,959	46,808	42,901	35,897	11,310	16,275
Funeral home revenues:							
Merchandise	21,060	18,922	15,551	12,810	10,435	7,075	5,052
Services	27,626	26,033	20,128	17,594	15,111	8,185	6,695
Total revenues	288,085	246,641	242,606	228,388	197,292	67,417	64,387
Cost of goods sold (exclusive of depreciation shown separately below):							
Perpetual care	6,867	5,656	5,715	5,727	5,094	1,667	1,391
Merchandise	26,785	22,203	22,386	20,388	18,435	5,416	6,113
Cemetery expense	64,672	57,566	55,410	57,145	48,784	16,265	13,329
Selling expense	55,277	47,832	46,878	45,291	38,245	13,910	11,189
General and administrative expense	35,110	31,873	28,928	29,544	24,591	9,329	7,645
Corporate overhead (1)	32,454	28,875	28,169	23,766	24,379	8,734	7,456
Depreciation and amortization	11,081	9,548	9,431	8,534	8,845	2,952	2,368

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	As of and for the Year Ended December 31,					As of and for the Three Months Ended	
	2014	2013	2012	2011	2010	March 31, 2015	2014
	(dollars in thousands, except per unit data)						
Funeral home expense:							
Merchandise	6,659	5,569	5,200	4,473	4,001	2,376	1,646
Services	20,470	19,190	14,574	11,717	9,752	5,593	4,787
Other	12,581	10,895	8,951	7,364	6,184	4,181	2,853
Acquisition related costs, net of recoveries	2,269	1,051	3,123	4,604	5,715	349	349
Total costs and expenses	274,225	240,258	228,765	218,553	194,025	70,772	59,126
Operating profit (loss)	13,860	6,383	13,841	9,835	3,267	(3,355)	5,261
Other income and expense:							
Gain on sale of other assets		155					
Gain on sale of funeral home	244			92			
Gain on acquisitions	412	2,530	122		7,152		412
Gain on termination of operating agreement			1,737				
Gain on settlement agreement, net	888	12,261					
Loss on impairment of long-lived assets	440						
Loss on early extinguishment of debt	214	21,595		4,010			
Increase (decrease) in fair value of interest rate swap					4,724		
Expenses related to refinancing (2)				453			
Interest expense	21,610	21,070	20,503	19,198	21,973	5,463	5,574
(Loss) income before income taxes	(6,860)	(21,336)	(4,803)	(13,734)	(6,830)	(8,818)	99
Income tax expense (benefit)	3,913	(2,304)	(1,790)	(4,019)	(5,383)	65	(310)
Net (loss) income	\$ (10,773)	\$ (19,032)	\$ (3,013)	\$ (9,715)	\$ (1,447)	\$ (8,883)	\$ 409
Net (loss) income per limited partner unit (basic and diluted)	\$ (0.40)	\$ (0.89)	\$ (0.15)	\$ (0.50)	\$ (0.10)	\$ (0.30)	\$ 0.02
Weighted average number of limited partners units (basic)	26,582	20,954	19,445	18,947	14,133	29,230	22,493
Weighted average number of limited partners units (diluted)	26,582	20,954	19,445	18,947	14,133	29,230	22,787
Distributions declared per unit	\$ 2.430	\$ 2.385	\$ 2.350	\$ 2.340	\$ 2.250	\$ 0.630	\$ 0.600
Balance Sheet Data (at period end):							
Cash and cash equivalents	\$ 10,401	\$ 12,175	\$ 7,946	\$ 12,058	\$ 7,535	\$ 6,397	\$ 8,240
Accounts receivable, net of allowance	62,503	55,415	51,895	48,837	45,149	65,429	55,809
Long-term accounts receivable, net of allowance	89,536	78,367	71,521	68,419	60,061	91,088	80,484
Cemetery property	339,848	316,469	309,980	298,938	283,460	339,821	314,909
Property and equipment, net of accumulated depreciation	100,391	85,007	79,740	73,777	66,249	99,569	84,555
Merchandise trusts, restricted, at fair value	484,820	431,556	375,973	344,515	318,318	488,007	449,853
Perpetual care trusts, restricted, at fair value	345,105	311,771	282,313	254,679	249,690	345,183	318,154
Total assets (3)	1,699,464	1,474,343	1,343,725	1,248,758	1,145,592	1,705,353	1,492,967
Total debt	287,629	291,932	254,949	195,322	220,394	298,848	253,609
Merchandise liability	150,192	130,412	125,869	128,942	113,356	150,195	131,817
Total partners' capital	208,762	107,520	135,182	180,279	128,191	182,203	147,987

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	As of and for the Year Ended December 31,					As of and for the Three Months Ended March 31,	
	2014	2013	2012	2011	2010	2015	2014
(dollars in thousands, except per unit data)							
Other Financial Data:							
Net cash provided by (used in) operating activities	\$ 19,448	\$ 35,077	\$ 31,896	\$ 5,466	\$ 3,106	\$ 5,853	\$ (2,940)
Net cash used in investing activities	(123,658)	(26,697)	(39,948)	(29,186)	(49,551)	(2,815)	(2,278)
Net cash provided by (used in) financing activities	102,436	(4,151)	3,940	28,243	40,501	(7,042)	1,283
Depreciation and amortization	11,081	9,548	9,431	8,534	8,845	2,952	2,368
Cash paid for cemetery property	(6,176)	(5,766)	(7,098)	(7,126)	(2,200)	(1,501)	(748)
Cash distributions	(62,836)	(52,053)	(47,454)	(44,605)	(32,443)	(17,948)	(13,391)
Operating Data:							
Interments performed	50,566	45,470	45,128	45,236	41,556	14,612	11,313
Cemetery revenues per interment performed	\$ 4,734	\$ 4,436	\$ 4,585	\$ 4,377	\$ 4,133	\$ 3,569	\$ 4,653
Interment rights sold (4):							
Lots	31,774	27,339	26,638	26,403	24,353	7,050	5,277
Mausoleum crypts (including pre-construction)	2,186	2,108	2,206	2,518	2,584	618	564
Niches	1,466	1,096	985	1,126	1,071	369	261
Net interment rights sold (4)	35,426	30,543	29,829	30,047	28,008	8,037	6,102
Number of contracts written	111,519	102,047	98,297	101,281	92,661	29,481	23,831
Aggregate contract amount, in thousands (excluding interest)	\$ 299,026	\$ 268,621	\$ 251,999	\$ 244,921	\$ 221,895	\$ 78,304	\$ 63,672
Average amount per contract (excluding interest)	\$ 2,681	\$ 2,632	\$ 2,564	\$ 2,418	\$ 2,395	\$ 2,656	\$ 2,672
Number of pre-need contracts written	54,169	51,737	48,131	49,747	45,193	13,701	11,928
Aggregate pre-need contract amount, in thousands (excluding interest)	\$ 196,487	\$ 180,326	\$ 163,627	\$ 157,410	\$ 143,022	\$ 50,028	\$ 41,762
Average amount per pre-need contract (excluding interest)	\$ 3,627	\$ 3,485	\$ 3,400	\$ 3,164	\$ 3,165	\$ 3,651	\$ 3,501
Number of at-need contracts written	57,350	50,310	50,166	51,534	47,468	15,780	11,903
Aggregate at-need contract amount, in thousands (excluding interest)	\$ 102,539	\$ 88,295	\$ 88,372	\$ 87,511	\$ 78,873	\$ 28,276	\$ 21,910
Average amount per at-need contract (excluding interest)	\$ 1,788	\$ 1,755	\$ 1,762	\$ 1,698	\$ 1,662	\$ 1,792	\$ 1,841

- (1) Includes unit-based compensation of \$1,068 thousand \$1,370 thousand \$916 thousand \$773 thousand and \$711 thousand in the years ended December 31, 2014, 2013, 2012, 2011 and 2010, respectively, and \$272 thousand and \$271 thousand in unit-based compensation for the three months ended March 31, 2015 and March 31, 2014, respectively.
- (2) Represents write-downs in previously capitalized debt issuance costs.
- (3) Includes the fair value of assets held in the merchandise and perpetual care trusts. Refer to Note 1 of our audited consolidated financial statements included in the 2014 Form 10-K and Note 1 of our unaudited condensed consolidated financial statements included in the First Quarter 2015 Form 10-Q for a detailed discussion of the consolidation rules for these assets.
- (4) Net of cancellations. Sales of double-depth burial lots are counted as two sales.

Table of Contents**BUSINESS****Overview**

We were formed as a Delaware limited partnership in April 2004 to own and operate the assets and businesses previously owned and operated by Cornerstone Family Services, Inc., or Cornerstone, which was converted into CFSI LLC, or CFSI, prior to our initial public offering of common units representing limited partner interests on September 20, 2004. Cornerstone had been founded in 1999 by members of our management team and a private equity investment firm, which we refer to as McCown De Leeuw, in order to acquire a group of 123 cemetery properties and 4 funeral homes. On November 30, 2010, McCown De Leeuw transferred certain of its interests to MDC IV Trust U/T/A November 30, 2010, MDC IV Associates Trust U/T/A November 30, 2010 and Delta Trust U/T/A November 30, 2010, and McCown De Leeuw was subsequently terminated. On May 21, 2014, Cornerstone Family Services LLC, CFSI and our general partner completed a series of transactions to streamline the ownership structure of CFSI and our general partner. As a result of these transactions, 100% of the membership interests in our general partner are held by StoneMor GP Holdings LLC (formerly known as CFSI) and the membership interests in StoneMor GP Holdings LLC are held by a trustee of the trust established for the pecuniary benefit of ACII (which trustee has exclusive voting and investment power over approximately 67.03% of such membership interests) and certain current directors, affiliates of certain directors and current and former officers of our general partner.

We are, as of March 31, 2015, the second largest owner and operator of cemeteries in the United States. As of March 31, 2015, we operated 303 cemeteries in 27 states and Puerto Rico. We own 272 of these cemeteries, and we manage or operate the remaining 31 under lease, operating or management agreements. As of March 31, 2015, we also owned and operated 98 funeral homes in 19 states and Puerto Rico. Forty-five of these funeral homes are located on the grounds of the cemeteries that we own.

The cemetery products and services that we sell include the following:

Interment Rights	Merchandise	Services
burial lots	burial vaults	installation of burial vaults
lawn crypts	caskets	installation of caskets
mausoleum crypts	grave markers and grave marker bases	installation of other cemetery merchandise
cremation niches	memorials	other service items
perpetual care rights		

We sell these products and services both at the time of death, which we refer to as at-need, and prior to the time of death, which we refer to as pre-need. Our sales of real property, including burial lots (with and without installed vaults), lawn and mausoleum crypts and cremation niches, generate qualifying income sufficient for us to be treated as a partnership for federal income tax purposes. In 2014 and the three months ended March 31, 2015, we performed 50,566 and 14,612 burials, respectively, and sold 35,426 and 8,037 interment rights (net of cancellations), respectively. Based on our sales of interment spaces in 2014, our cemeteries have an aggregated weighted average remaining sales life of 247 years.

As of March 31, 2015, our cemetery properties are located in Alabama, California, Colorado, Delaware, Florida, Georgia, Hawaii, Illinois, Indiana, Iowa, Kansas, Kentucky, Maryland, Michigan, Mississippi, Missouri, New Jersey, North Carolina, Ohio, Oregon, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, Tennessee, Virginia, Washington and West Virginia. One cemetery in Hawaii that we acquired in December 2007 is still awaiting regulatory approval and

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has not yet been conveyed to us. Our cemetery operations accounted for approximately 83.1% and 77.4% of our revenues for the year ended December 31, 2014 and the three months ended March 31, 2015, respectively.

Our primary funeral home products are caskets and related items. Our funeral home services include consultation, the removal and preparation of remains, and the use of funeral home facilities for visitation and prayer services.

As of March 31, 2015, our funeral homes are located in Alabama, Arkansas, California, Florida, Illinois, Indiana, Kansas, Maryland, Mississippi, Missouri, North Carolina, Ohio, Oregon, Pennsylvania, Puerto Rico, South Carolina, Tennessee, Virginia, Washington and West Virginia. Our funeral home revenues accounted for approximately 16.9% and 22.6% of our revenues for the year ended December 31, 2014 and the three months ended March 31, 2015, respectively. Our funeral home operations are conducted through various wholly owned subsidiaries that are treated as corporations for U.S. federal income tax purposes.

Operations

We have five distinct reportable segments, which are classified as Cemetery Operations Southeast, Cemetery Operations Northeast, Cemetery Operations West, Funeral Homes, and Corporate.

We have chosen this level of organization and disaggregation of reportable segments due to the fact that a) each reportable segment has unique characteristics that set it apart from other segments; b) we have organized our management personnel at these operational levels; and c) it is the level at which our chief decision makers and other senior management evaluate performance.

Our Cemetery Operations segments sell interment rights, caskets, burial vaults, cremation niches, markers and other cemetery related merchandise. The nature of our customers differs in each of our regionally based Cemetery Operations segments. Cremation rates in the West region are substantially higher than they are in the Southeast region. Rates in the Northeast region tend to be somewhere between the two. Statistics indicate that customers who select cremation services have certain attributes that differ from customers who select other methods of interment. The disaggregation of cemetery operations into the three distinct regional segments is primarily due to these differences in customer attributes along with the previously mentioned management structure and senior management analysis methodologies.

Our Funeral Homes segment offers a range of funeral-related services such as family consultation, the removal of and preparation of remains and the use of funeral home facilities for visitation and prayer services. These services are distinctly different than the cemetery merchandise and services sold and provided by the Cemetery Operations segments.

Our Corporate segment includes various home office selling and administrative expenses that are not allocable to the other operating segments.

Cemetery Operations. Our cemetery operations include sales of cemetery interment rights, merchandise and services and the performance of cemetery maintenance and other services. An interment right entitles a customer to a burial space in one of our cemeteries and the perpetual care of that burial space. Burial spaces, or lots, are parcels of property that hold interred human remains. Our cemeteries require a burial vault to be placed in each burial lot. A burial vault is a rectangular container, usually made of concrete but also made of steel or plastic, which sits in the burial lot and in which the casket is placed. The top of the burial vault is buried approximately 18

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to 24 inches below the surface of the ground, and the casket is placed inside the vault. Burial vaults prevent ground settling that otherwise occurs when a casket placed directly in the ground begins to decay creating uneven ground surface. Ground settling typically results in higher maintenance costs and increased potential liability for slip-and-fall accidents on the property. Lawn crypts are a series of closely spaced burial lots with preinstalled vaults and other improvements, such as landscaping, sprinkler systems and drainage. A mausoleum crypt is an above-ground structure that may be designed for a particular customer, which we refer to as a private mausoleum, or it may be a larger building that serves multiple customers, which we refer to as a community mausoleum. Cremation niches are spaces in which the ashes remaining after cremation are stored. Cremation niches are often part of community mausoleums, although we sell a variety of cremation niches to accommodate our customers' preferences.

Grave markers, monuments and memorials are above ground products that serve as memorials by showing who is remembered, the dates of birth and death and other pertinent information. These markers, monuments and memorials include simple plates, such as those used in a community mausoleum or cremation niche, flush-to-the-ground granite or bronze markers, headstones or large stone obelisks.

One of the principal services we provide at our cemeteries is an opening and closing, which is the digging and refilling of burial spaces to install the vault and place the casket into the vault. With pre-need sales, there are usually two openings and closings. During the initial opening and closing, we install the burial vault in the burial space. We usually perform this service shortly after the customer signs a pre-need contract. Advance installation allows us to withdraw the related funds from our merchandise trusts, making the amount in excess of our cost to purchase and install the vault available to us for other uses, and eliminates future merchandise trusting requirements for the burial vault and its installation. During the final opening and closing, we remove the dirt above the vault, open the lid of the vault, place the casket into the vault, close the vault lid and replace the ground cover. With at-need sales, we typically perform the initial opening and closing at the time we perform the final opening and closing. Our other services include the installation of other cemetery merchandise and the perpetual care related to interment rights.

As of March 31, 2015, we provided services to 31 cemeteries under long-term lease, operating or management agreements. The agreements under which we operate these entities have terms ranging from 3 to 60 years (but some are subject to early termination rights and obligations).

In 2014, of the 31 cemeteries we operated under long-term lease, operating or management agreements, 15 cemeteries, including 13 cemeteries related to the transaction with the Archdiocese of Philadelphia that closed in the second quarter of 2014, did not qualify as acquisitions for accounting purposes. As a result, we did not consolidate all of the existing assets and liabilities related to these cemeteries. We have consolidated the existing assets and liabilities of these cemeteries' merchandise and perpetual care trusts as variable interest entities since we control and receive the benefits and absorb any losses from operating these trusts. Under these long-term lease, operating or management agreements, which are subject to certain termination provisions, we are the exclusive operator of these cemeteries. We earn revenues related to sales of merchandise, services and interment rights and incur expenses related to such sales and the maintenance and upkeep of these cemeteries. Upon termination of these contracts, we will retain all of the benefits and related contractual obligations incurred from sales generated during the contract period. We have also recognized the existing merchandise liabilities assumed as part of these agreements.

Funeral Home Operations. As of March 31, 2015, we owned, operated or managed 98 funeral homes, 45 of which are located on the grounds of cemetery properties that we own. Our funeral homes offer a range of services to meet a family's funeral needs, including family consultation, the

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removal and preparation of remains, provision of caskets and related funeral merchandise, the use of funeral home facilities for visitation, worship and performance of funeral services and transportation services. Funeral home operations primarily generate revenues from at-need sales. Our funeral home segment has continued to grow and has become a significant contributor to our consolidated revenues.

We purchase caskets from Thacker Caskets, Inc. under a supply agreement that expires on December 31, 2015. This agreement entitles us to specified discounts on the price of caskets but gives Thacker Caskets, Inc. the right of first refusal on all of our casket purchases. We do not have minimum purchase requirements under this supply agreement.

Cremation Products and Services. We operate crematories at some of our cemeteries or funeral homes, but our primary cremation operations are sales of receptacles for cremated remains, such as urns, and the inurnment of cremated remains in niches or scattering gardens. While cremation products and services usually cost less than traditional burial products and services, they yield higher margins on a percentage basis and take up less space than burials. We sell cremation products and services on both a pre-need and at-need basis.

Seasonality. The death care business is relatively stable and predictable. Although we experience seasonal increases in deaths due to extreme weather conditions and winter flu, these increases have not historically had any significant impact on our results of operations. In addition, we perform fewer initial openings and closings in the winter when the ground is frozen.

Sales Contracts

Pre-need products and services are typically sold on an installment basis. At-need products and services are generally required to be paid for in full in cash by the customer at the time of sale.

Trusts

Sales of cemetery products and services are subject to a variety of state regulations. In accordance with these regulations, we are required to establish and fund two types of trusts, merchandise trusts and perpetual care trusts, to ensure that we can meet our future obligations. Our funding obligations are generally equal to a percentage of sales proceeds of the products and services we sell.

Sales Personnel, Training and Marketing

As of March 31, 2015, we employed 897 full-time commissioned salespeople and 122 full-time sales support and telemarketing employees. As of that date, we had 11 regional sales vice presidents supporting our cemetery operations. They were supported by two Divisional Vice Presidents of Sales who report to our Chief Operating Officer. Individual salespersons are typically located at the cemeteries they serve and report directly to the cemetery sales manager. We have made a strong commitment to the ongoing education and training of our sales force and to salesperson retention in order to ensure our customers receive the highest quality customer service and to ensure compliance with all applicable requirements. Our training program includes classroom training at our headquarters, field training, continuously updated training materials that utilize media, such as the Internet, for interactive training and participation in industry seminars. We place special emphasis on training property sales managers, who are key elements to a successful pre-need sales program.

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We reward our salespeople with incentives for generating new customers. Sales force performance is evaluated by sales budgets, sales mix and closing ratios, which are equal to the number of contracts written, divided by the number of presentations that are made. Substantially all of our sales force is compensated based solely on performance. Commissions are augmented with various bonus and incentive packages to ensure a high quality, motivated sales force. We pay commissions to our sales personnel on pre-need contracts based upon a percentage of the value of the underlying contracts. Such commissions vary depending upon the type of merchandise and services sold. We also pay commissions on at-need contracts that are generally equal to a fixed percentage of the contract amount. In addition, cemetery managers receive an override commission that is equal to a percentage of the gross sales price of the contracts entered into by the salespeople assigned to the cemeteries they manage.

We generate sales leads through focused telemarketing, direct mail, television advertising, funeral follow-up and sales force cold calling, with the assistance of database mining and other marketing resources. We have created a marketing department to allow us to use more sophisticated marketing techniques to focus our telemarketing and direct sales efforts more effectively. Sales leads are referred to the sales force to schedule an appointment, most often at the customer's home. We believe these activities comply in all material respects with legal requirements.

Acquisitions and Long-Term Operating Agreements

Refer to Note 13 of our consolidated financial statements in Item 8 of the 2014 Form 10-K and Note 13 of our consolidated financial statements in Part I Item 1 of the First Quarter 2015 Form 10-Q for a more detailed discussion of our acquisitions and long-term operating agreements. A summary of our acquisition activities is as follows:

2014

We completed three acquisitions during the year ended December 31, 2014, which included 13 cemeteries and 11 funeral homes. The acquired properties were located in North Carolina, Pennsylvania, Virginia and Florida. The aggregate fair value of the total consideration paid for these acquisitions was \$56.4 million. This includes our acquisition of nine funeral homes and 12 cemeteries from Service Corporation International, which closed on June 10, 2014. On May 28, 2014, we closed the Lease and Management Agreement transaction with the Archdiocese of Philadelphia, pursuant to which we operate 13 cemeteries in Pennsylvania for a term of 60 years, subject to certain termination provisions. We paid up-front rent of \$53.0 million to the Archdiocese of Philadelphia at closing.

2013

We completed two acquisitions during the year ended December 31, 2013 to acquire one cemetery in Virginia and six funeral homes in Florida. The aggregate fair value of the total consideration for these acquisitions was \$21.6 million.

2012

We completed six acquisitions during the year ended December 31, 2012 to acquire five cemeteries and 17 funeral homes. The acquired properties were located in Ohio, Illinois, California, Oregon and Florida. The aggregate fair value of the total consideration paid for these acquisitions was \$34.9 million. Effective March 31, 2012, we terminated a long-term operating agreement entered into in 2010 related to three cemeteries with the Archdiocese of Detroit, resulting in a gain of \$1.7 million.

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Competition

Our cemeteries and funeral homes generally serve customers that live within a 10 to 15-mile radius of a property's location. Within this localized area, we face competition from other cemeteries and funeral homes located in the area. Most of these cemeteries and funeral homes are independently owned and operated, and most of these owners and operators are smaller than we are and have fewer resources than we do. We generally face limited competition from the two publicly held death care companies that have U.S. operations—Service Corporation International and Carriage Services, Inc.—as they do not directly operate cemeteries in the same local geographic areas where we operate.

Within a localized area of competition, we compete primarily for at-need sales because many of the independently owned, local competitors either do not have pre-need sales programs or have pre-need programs that are not as developed as ours. Most of these competitors do not have as many of the resources that are available to us to launch and grow a substantial pre-need sales program. The number of customers that cemeteries and funeral homes are able to attract is largely a function of reputation and heritage, although competitive pricing, professional service and attractive, well-maintained and conveniently located facilities are also important factors. The sale of cemetery and funeral home products and services on a pre-need basis has increasingly been used by many companies as an important marketing tool. Due to the importance of reputation and heritage, increases in customer base are usually gained over a long period of time.

Competitors within a localized area have an advantage over us if a potential customer's family members are already buried in the competitor's cemetery. If either of the two publicly held death care companies identified above operated, or in the future were to operate, cemeteries within close proximity of our cemeteries, they may have a competitive advantage over us because they have greater financial resources available to them due to their size and access to the capital markets.

We believe that we currently face limited competition for cemetery acquisitions. The two publicly held death care companies identified above, as well as Stewart Enterprises, Inc., which was acquired by Service Corporation International in December 2013, have historically been the industry's primary consolidators but have largely curtailed cemetery acquisition activity since 1999. Furthermore, these companies continue to generate the majority of their revenues from funeral home operations. Based on the relative levels of cemetery operations and funeral home operations of these publicly traded death care companies, which are disclosed in their SEC filings, we believe that we are the only public death care company that focuses a significant portion of its efforts on cemetery operations.

Regulation

General. Our operations are subject to regulation, supervision and licensing under federal, state and local laws, which impacts the goods and services that we may sell and the manner in which we may furnish goods and services.

Cooling-Off Legislation. Each of the states where our current cemetery and funeral home properties are located has cooling-off legislation with respect to pre-need sales of cemetery and funeral home products and services. This legislation generally requires us to refund proceeds from pre-need sales contracts if canceled by the customer for any reason within three to thirty days, or in certain states until death, from the date of the contract, depending on the state (and some states permit cancellation and require refund beyond that time). The Federal Trade Commission, or FTC, also requires a cooling-off period of three business days for door to door sales, during which time a contract may be cancelled entitling a customer to refund of the funds paid.

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Trusting. Sales of cemetery interment rights and pre-need sales of cemetery and funeral home merchandise and services are generally subject to trusting requirements imposed by state laws in most of the states where we operate. See Management's Discussion and Analysis of Financial Condition and Results of Operations Trusting in the 2014 Form 10-K.

Truth in Lending Act and Regulation Z. Our pre-need installment contracts are subject to the federal Truth-in-Lending Act, or TILA, and the regulations thereunder, which are referred to as Regulation Z. TILA and Regulation Z promote the informed use of consumer credit by requiring us to disclose, among other things, the annual percentage rate, finance charges and amount financed when extending credit to consumers.

Other Consumer Credit-Related Laws and Regulations. As a provider of consumer credit and a business that generally deals with consumers, we are subject to various other state and federal laws covering matters such as credit discrimination, the use of credit reports, identity theft, the handling of consumer information, consumer privacy, marketing and advertising, debt collection, extensions of credit to service members, and prohibitions on unfair or deceptive trade practices.

The Dodd-Frank Wall Street Reform and Consumer Protection Act, or Dodd-Frank. Dodd-Frank, signed into law by President Obama on July 21, 2010, created a new federal Bureau of Consumer Financial Protection, or the Bureau. In addition to transferring to the Bureau rule-writing authority for nearly all federal consumer finance-related laws and giving the Bureau rule-writing authority in other areas, Dodd-Frank empowers the Bureau to conduct examinations and bring enforcement actions against certain consumer credit providers and other entities offering consumer financial products or services. While not presently subject to examination by the Bureau, we potentially could be in the future in connection with our pre-need installment contracts. The Bureau also has authority to conduct investigations and bring enforcement actions against providers of consumer financial services, including providers over which it may not currently have examination authority. The Bureau may seek penalties and other relief on behalf of consumers that are substantially in excess of the remedies available under such laws prior to Dodd-Frank. On July 21, 2011, the Bureau officially assumed rule-writing and enforcement authority for most federal consumer finance laws, as well as authority to prohibit unfair, deceptive or abusive practices related to consumer financial products and services.

Telemarketing Laws. We are subject to the requirements of two federal statutes governing telemarketing practices, the Telephone Consumer Protection Act, or TCPA, and the Telemarketing and Consumer Fraud and Abuse Prevention Act, or TCFAPA. These statutes impose significant penalties on those who fail to comply with their mandates. The Federal Communications Commission, or FCC, is the federal agency with authority to enforce the TCPA, and the FTC, has jurisdiction under the TCFAPA. The FTC and FCC jointly administer a national do not call registry, which consumers can join in order to prevent unwanted telemarketing calls. Primarily as a result of implementation of the do not call legislation and regulations, the percentage of our pre-need sales generated from telemarketing leads has decreased substantially in the past ten years. We are also subject to similar telemarketing consumer protection laws in all states in which we currently operate. These states' statutes similarly permit consumers to prevent unwanted telephone solicitations. In addition, in cases where telephone solicitations are permitted, there are various restrictions and requirements under state and federal law in connection with such calls.

Occupational Safety and Health Act and Environmental Law Requirements. We are subject to the requirements of the Occupational Safety and Health Act, or OSHA, and comparable state statutes. OSHA's regulatory requirement known as the Hazard Communication Standard, the Emergency Planning and Community Right-to-Know Act (EPCRA) and similar state statutes require us to report information about hazardous materials used or maintained for our operations

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to state, federal and local authorities. We may also be subject to Tier 1 or Tier 2 Emergency and Hazardous Chemical Inventory reporting requirements under EPCRA depending on the amount of hazardous materials maintained on-site at a particular facility. We are also subject to the federal Americans with Disabilities Act and similar laws, which, among other things, may require that we modify our facilities to comply with minimum accessibility requirements for disabled persons.

Federal Trade Commission. Our funeral home operations are comprehensively regulated by the FTC under Section 5 of the Federal Trade Commission Act and a trade regulation rule for the funeral industry promulgated thereunder, referred to as the Funeral Rule. The Funeral Rule requires funeral service providers to disclose the prices for their goods and services as soon as the subject of price arises in a discussion with a potential customer (this entails presenting various itemized price lists if the consultation is in person, and readily answering all price-related questions posed over the telephone), and to offer their goods and services on an unbundled basis. The Funeral Rule also prohibits misrepresentations in connection with our sale of goods and services, and requires that the consumer receive an itemized statement of the goods and services purchased. Through these regulations, the FTC sought to give consumers the ability to compare prices among funeral service providers and to avoid buying packages containing goods or services that they did not want. The unbundling of goods from services has also opened the way for third-party, discount casket sellers to enter the market, although they currently do not possess substantial market share.

In addition, our pre-need installment contracts for sales of cemetery and funeral home merchandise and services are subject to the FTC's Holder Rule, which requires disclosure in the installment contract that any holder of the contract is subject to all claims and defenses that the consumer could assert against the seller of the goods or services, subject to certain limitations. These contracts are also subject to the FTC's Credit Practices Rule, which prohibits certain credit loan terms and practices.

Future Enactments and Regulation. Federal and state legislatures and regulatory agencies frequently propose new laws, rules and regulations and new interpretations of existing laws, rules and regulations which, if enacted or adopted, could have a material adverse effect on our operations and on the death care industry in general. A significant portion of our operations is located in California, Pennsylvania, Michigan, New Jersey, Virginia, Maryland, North Carolina, Ohio, Indiana, Florida and West Virginia and any material adverse change in the regulatory requirements of those states applicable to our operations could have a material adverse effect on our results of operations. We cannot predict the outcome of any proposed legislation or regulations or the effect that any such legislation or regulations, if enacted or adopted, might have on us.

Environmental Regulations and Liabilities

Our operations are subject to federal, state and local environmental regulations in three principal areas: (1) crematories for emissions to air that may trigger requirements under the Clean Air Act; (2) funeral homes for the management of hazardous materials and medical wastes; and (3) cemeteries and funeral homes for the management of solid waste, underground and above-ground storage tanks and discharges to wastewater treatment systems and/or septic systems.

Clean Air Act. The Federal Clean Air Act and similar state laws, which regulate emissions into the air, can affect crematory operations through permitting and emissions control requirements. Our cremation operations may be subject to Clean Air Act regulations under federal and state law and may be subject to enforcement actions if these operations do not conform to the requirements of these laws.

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Emergency Planning and Community Right-to-Know Act. As noted above, federal, state and local regulations apply to the storage and use of hazardous materials at our facilities. Depending on the types and quantities of materials we manage at any particular facility, we may be required to maintain and submit Material Safety Data Sheets and inventories of these materials located at our facilities to the regulatory authorities in compliance with EPCRA or similar state statutes.

Comprehensive Environmental Response, Compensation, and Liability Act. The Comprehensive Environmental Response, Compensation, and Liability Act, or CERCLA, and similar state laws affect our cemetery and funeral home operations by, among other things, imposing investigation and remediation obligations for threatened or actual releases of hazardous substances that may endanger public health or welfare or the environment. Under CERCLA and similar state laws, strict, joint and several liability may be imposed upon generators, site owners and operators, and others regardless of fault or the legality of the original disposal activity. Our operations include the use of some materials that may meet the definition of hazardous substances under CERCLA or state laws and thus may give rise to liability if released to the environment through a spill or release. Should we acquire new properties with pre-existing conditions triggering CERCLA or similar state liability, we may become liable for responding to those conditions under CERCLA or similar state laws. We may become involved in proceedings, litigation or investigations at one or more sites where releases of hazardous substances have occurred, and we cannot assure you that the associated costs and potential liabilities would not be material.

Underground and Above Ground Storage Tank Laws and Solid Waste Laws. Federal, state and local laws regulate the installation, removal, operations and closure of underground storage tanks, or USTs and above-ground storage tanks, or ASTs, which are located at some of our facilities as well as the management and disposal of solid waste. Most of the USTs and ASTs contain petroleum for heating our buildings or are used for vehicle maintenance, or general operations. Depending upon the age and integrity of the USTs and ASTs, they may require upgrades, removal and/or closure, and remediation may be required if there has been a potential discharge or release of petroleum into the environment. All of the aforementioned activities may require us to incur capital costs and expenses to ensure continued compliance with environmental requirements. Should we acquire properties with existing USTs and ASTs that are not in compliance with environmental requirements, we may become liable for responding to releases to the environment or for costs associated with upgrades, removal and/or closure costs, and we cannot assure you that the costs or liabilities will not be material in that event. Solid wastes have been disposed of at some of our cemeteries, both lawfully and unlawfully. Prior to acquiring a cemetery, an environmental site assessment is usually conducted to determine, among other conditions, if a solid waste disposal area or landfill exists on the parcel which requires removal, cleaning or management. Depending upon the existence of any such solid waste disposal areas, we may be required by the applicable regulatory authority to remove the waste materials or to conduct remediation and we cannot assure you that the costs or liabilities will not be material in that event.

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The following table shows information regarding the directors and executive officers of our general partner.

Name	Age	Positions with StoneMor GP LLC
Lawrence Miller	66	Chief Executive Officer, President and Chairman of the Board of Directors
James M. Pippis (1)	43	Interim Chief Financial Officer and Secretary
David L. Meyers	47	Chief Operating Officer
William R. Shane	68	Vice Chairman of the Board of Directors
Howard L. Carver	71	Director
Jonathan A. Contos	30	Director
Allen R. Freedman	75	Director
Robert B. Hellman, Jr.	55	Director
Martin R. Lautman, Ph.D.	68	Director
Leo J. Pound	60	Director
Fenton R. Talbott	73	Director

- (1) On May 12, 2015, Timothy K. Yost submitted his resignation from his position as the Chief Financial Officer and Secretary of our general partner, effective May 13, 2015. Mr. Yost stated that he was resigning in order to devote more time to personal and family matters. There are no disagreements between Mr. Yost and our general partner or the Partnership. In connection with Mr. Yost's resignation, effective May 14, 2015, James M. Pippis was appointed as Interim Chief Financial Officer and Secretary of our general partner. Please read our Current Report on Form 8-K filed with the SEC on May 18, 2015, which is incorporated herein by reference.

Brief biographies of all directors and executive officers of our general partner are included below.

Executive Officer and Board Member

Lawrence Miller founded our company and has served as Chief Executive Officer, President and Chairman of the Board of Directors of our general partner since our formation in April 2004 and had served as the Chief Executive Officer and President of Cornerstone, since March 1999 through April 2004. Prior to joining Cornerstone, Mr. Miller was employed by The Loewen Group, Inc. (now known as the Alderwoods Group, Inc.), where he served in various management positions, including Executive Vice President of Operations from January 1997 until June 1998, and President of the Cemetery Division from March of 1995 until December 1996. Prior to joining The Loewen Group, Mr. Miller served as President and Chief Executive Officer of Osiris Holding Corporation, a private consolidator of cemeteries and funeral homes of which Mr. Miller was a one-third owner, from November 1987 until March 1995, when Osiris was sold to The Loewen Group. Mr. Miller served as President and Chief Operating Officer of Morlan International, Inc., one of the first publicly traded cemetery and funeral home consolidators from 1982 until 1987, when Morlan was sold to Service Corporation International. Mr. Miller has also been a director of GP Holdings, the sole member of our general partner, since May 2014. Mr. Miller brings to the Board of Directors of our general partner extensive operating and managerial expertise in the death care industry, and excellent leadership skills and significant experience in advancing growth strategies, including acquisitions and strategic alliances.

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Additional Board Members

William R. Shane has served on the Board of Directors of our general partner since our formation in April 2004. Mr. Shane founded our Company with Mr. Miller and served as Executive Vice President and Chief Financial Officer of our general partner since our formation in April 2004 until April 1, 2012, and served as Executive Vice President and Chief Financial Officer of Cornerstone since March 1999 through April 2004. Effective April 1, 2012, Mr. Shane retired from his position as our Executive Vice President and Chief Financial Officer and became the Vice Chairman of the Board of Directors and serves as an advisor available to management. Prior to joining Cornerstone, Mr. Shane was employed by The Loewen Group, Inc., where he served as Senior Vice President of Finance for the Cemetery Division from March 1995 until January 1998. Prior to joining The Loewen Group, Mr. Shane served as Senior Vice President of Finance and Chief Financial Officer of Osiris Holding Corporation, which he founded with Mr. Miller, and of which he was a one-third owner. Prior to founding Osiris, Mr. Shane served as the Chief Financial Officer of Morlan International, Inc. Mr. Shane brings to the Board of Directors of our general partner extensive experience in financial services and capital raising activities, and his strong background in acquisitions and strategic alliances.

Howard L. Carver has served on the Board of Directors of our general partner since August 2005. Mr. Carver retired in June 2002 from Ernst & Young. During his 35-year career with the firm, Mr. Carver held a variety of positions in six U.S. offices, culminating with the position of managing partner responsible for the operation of the Hartford, Connecticut office. Since June 2002, Mr. Carver has served on the boards of directors of Assurant, Inc. (formerly Fortis, Inc.) and Phoenix National Trust Company (until its sale in April 2004) and was the chair of the Audit Committee for both boards. He currently serves as the Chair of Assurant's Nominating and Corporate Governance Committee and is a member of its Audit Committee. Effective January 2012, Mr. Carver was appointed to the Audit Committee of Pinnacol Assurance, the workers compensation facility for the State of Colorado, and in January 2013 he was appointed to Pinnacol's board by the Governor of Colorado and currently serves as the Vice Chair of the Board and Chair of Pinnacol's Governance & Executive Committee. Mr. Carver brings to the Board of Directors of our general partner extensive financial, accounting and audit practices expertise, a keen understanding of financial controls and systems, and a significant risk management background.

Jonathan A. Contos has served on the Board of Directors of our general partner since August 2014. Mr. Contos has held a variety of positions at private equity and investment banking firms. Mr. Contos has been Vice President of American Infrastructure Funds, L.L.C., an investment adviser registered with the SEC, since December 2013, after joining the firm as a Senior Associate in September 2012. From August 2008 to June 2010, Mr. Contos was an Associate in the North American Buyouts Group at TPG Capital, a private investment firm, and from 2006 to 2008, he was an Investment Banking Analyst in the Corporate Finance Group at Morgan Stanley. Mr. Contos has served as a member of the Audit Committee of the Board of Directors of Landmark Dividend Holdings LLC, a national acquirer of real property interests underlying various infrastructure asset classes, since 2012. Mr. Contos has also served on the Board of Directors of Landmark Infrastructure Partners GP LLC, an indirect subsidiary of Landmark Dividend Holdings LLC and the general partner of Landmark Infrastructure Partners LP, a publicly traded master limited partnership, since November 2014. Mr. Contos has also been a director of GP Holdings, the sole member of our general partner, since May 2014. Mr. Contos received an A.B. in Economics from Harvard College and an M.B.A. from the Stanford Graduate School of Business. Mr. Contos brings to the Board of Directors of our general partner experience with various financial and investment matters.

Allen R. Freedman has served on the Board of Directors of our general partner since our formation in April 2004, and had served as a director of Cornerstone since October 2000 through

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April 2004. Mr. Freedman is a graduate of Tufts University and the University of Virginia School of Law. Mr. Freedman retired in July 2000 from his position as Chairman and Chief Executive Officer of Fortis, Inc., a specialty insurance company that he started in 1979. He continued to serve on the board of Assurant, Inc. (successor to Fortis, Inc.) until May of 2011. He was previously Chairman of the Board of Systems & Computer Technology Corporation until 2004 and Indus, Inc. until 2007. He retired as a trustee of the Eaton Vance Mutual Funds Group in 2014, where he served on the Governance and Portfolio Management Committees. Mr. Freedman has served on the board of a number of charitable organizations including the Philadelphia Orchestra and the United Way of New York. He currently serves on the board of Opera America, the service organization for over 100 opera companies in the United States, Canada and Europe. He is also a founding director of the Association of Audit Committee Members, Inc. Mr. Freedman brings to the Board of Directors of our general partner extensive financial and operational experience, knowledge of audit practices, and investment and risk management expertise, as well as leadership skills and strategic advice.

Robert B. Hellman, Jr. has served on the Board of Directors of our general partner since our formation in April 2004 and had served as a director of Cornerstone since March 1999 through April 2004. Mr. Hellman co-founded American Infrastructure MLP Funds in 2006 and is a managing member of American Infrastructure Funds, L.L.C., an investment adviser registered with SEC. Mr. Hellman was the Chief Executive Officer and a Managing Director of McCown De Leeuw & Co., LLC, the sponsor of numerous private equity investment funds, which he joined in 1987. Mr. Hellman was named Managing Director of McCown De Leeuw & Co., LLC in 1991 and Chief Executive Officer in 2001. Mr. Hellman has been a private equity investor for 25 years and responsible for inventing the pioneering idea of applying the MLP structure to the deathcare industry, which led to our IPO as a MLP. Mr. Hellman has also been a director of GP Holdings, the sole member of our general partner, since May 2014. Mr. Hellman received an MBA from the Harvard Business School with Baker Scholar Honors, an MS in economics from the London School of Economics, and a BA in economics from Stanford University. He is a member of the board of the Stanford Institute for Economic Policy Research. Mr. Hellman brings to the Board of Directors of our general partner extensive investment management and capital raising experience, combined with excellent leadership and strategic skills.

Martin R. Lautman, Ph.D. has served on the Board of Directors of our general partner since our formation in April 2004 and as a director of Cornerstone since its formation in March 1999 through April 2004. Dr. Lautman is currently the Managing Director of Marketing Channels, Inc., a company that provides marketing and marketing research consulting services to the information industry and a partner in Musketeer Capital, an investor in early stage and small companies. Most recently, he served as the President and CEO of GfK Custom Research North America, a division of a public worldwide marketing services company headquartered in Nuremburg, Germany. Prior to that, he was the Senior Managing Director of ARBOR a U.S.-based marketing research agency, where he held several positions including Senior Managing Director since 1974. He has also served with Numex Corporation, a public machine-tool manufacturing company, as President from 1987 to 1990 and as a director from 1991 to 1997. From 1986 to 2000, Dr. Lautman served on the Board of Advisors of Bachow Inc., a private equity firm specializing in high-tech companies and software and is now active in venture capital serving as a venture partner in three early stage funds. Dr. Lautman is currently a board member for E.P. Henry, a hardscaping company, Phoenix International, a marketing research company, Require, a title release tracking company and Surface Preparation Technologies, a road rumble strip and grooving company. He is also the former Chairman of the Board of Penn Hillel. Dr. Lautman has lectured on marketing in The Cornell Hotel School and The Columbia University School of Business and currently lectures on marketing strategy, new products and advertising in the MBA program in The Wharton School of Business of the University of Pennsylvania. He is currently also teaching marketing management and

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marketing strategy in The Smeal School of Business of The Pennsylvania State University. Dr. Lautman brings to the Board of Directors of our general partner strategic planning and capital raising expertise, and experience with compensation matters.

Leo J. Pound has served on the Board of Directors of our general partner since August 2014. Mr. Pound has been a Principal of Pound Consulting Inc., which provides management-consulting services to both public and private enterprises, since July 2000. From February 1999 to July 2000, Mr. Pound was Chief Financial Officer of Marble Crafters, a stone importer and fabricator. From October 1995 to February 1999, he was Chief Financial Officer of Jos. H. Stomel & Sons, a wholesale distributor. Since 2013, Mr. Pound has served as the Chairman of the Audit Committee of Alliance Holdings, a private equity firm. Since 2012, Mr. Pound has been a director at Turner Long/Short Equity Offshore, an investment partnership managed by Turner Investments, Inc. He also serves as the Chairman of the Audit Committee and as a member of the Compensation Committee and Nominating Committee of Nixon Uniform Service & Medical Wear, a textile rental company. Mr. Pound previously served on the Board of Directors of NCO Group, Inc., an international provider of business process outsourcing services, from 2000 until 2011. Mr. Pound chaired the Audit Committee and was a member of the Nominating and Corporate Governance Committee of the Board of Directors of NCO Group, Inc. Mr. Pound is a Certified Public Accountant and a member of the American and Pennsylvania Institutes of Certified Public Accountants. Mr. Pound received a degree in Business Administration from LaSalle University where he majored in Accounting. Mr. Pound brings to the Board of Directors of our general partner broad knowledge of audit practices and financial controls and systems and financial leadership experience.

Fenton R. Pete Talbott has served on the Board of Directors of our general partner since our formation in April 2004 and had served as Chairman of the Board of Cornerstone since April 2000 through April 2004. Mr. Talbott served as the President of Talbott Advisors, Inc., a consulting firm, from January 2006 through January 2010. Mr. Talbott previously served as an operating affiliate of McCown De Leeuw & Co., LLC from November 1999 to December 2004 and currently serves as an operating affiliate of American Infrastructure Funds, L.L.C. Additionally, he served as the Chairman of the Board of Telespectrum International, an international telemarketing and market-research company, from August 2000 to January 2001. Prior to 1999, Mr. Talbott held various executive positions with Comerica Bank, American Express Corporation, Bank of America, The First Boston Corp., CitiCorp., and other entities. He currently serves as a board member of the Preventative Medicine Research Institute, Kansas University Board of Trustees, and Landmark Dividend, LLC. Mr. Talbott brings to the Board of Directors of our general partner extensive operational and consulting expertise, experience with compensation matters and his significant professional contact base.

Executive Officers (Non-Board Members)

James M. Pippis has served as our Interim Chief Financial Officer and Secretary since May 14, 2015. Mr. Pippis served as Vice President of Accounting and Finance of our general partner since April 1, 2015 and served as Director of Financial Reporting of our general partner since January 3, 2011. Prior to joining our general partner, Mr. Pippis was employed at a regional accounting firm, Kreisler Miller, where he provided attest services and business advice to middle market companies. He began with that company in December 2005 as a Senior Manager and served as an Audit Director beginning in 2009. From October 2001 through December 2005, Mr. Pippis worked for Agere Systems Inc., a publically traded semi-conductor company, where he held roles of increasing responsibility, such as a Manager of Accounting Policy and External Reporting, a business unit Controller, and a Senior Accounting Manager. From 1996 through October 2001, he served as an Audit Senior and Audit Manager at Deloitte & Touche LLP, working in a variety of industries on both private and publically traded companies.

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David L. Meyers served as Interim Chief Operating Officer of our general partner from October 2013 through December 2013, as part of a planned management succession program, and has since served as the Chief Operating Officer of our general partner. Mr. Meyers held a variety of positions with increasing responsibilities at Terminix International for more than 22 years, where he was most recently Division Vice President from July 2005 until November 2012. In his capacity as Division Vice President at Terminix International, Mr. Meyers managed the operations of multiple branch locations and regional management teams in the southeastern part of the United States. His responsibilities included developing the division's organizational structure, designing process improvements and leveraging technology to monitor operational results, increase productivity and drive competitive strengths. Terminix International is a subsidiary of The ServiceMaster Company, a global company, with services including, among others, termite and pest control.

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U.S. FEDERAL INCOME TAX CONSIDERATIONS

The tax consequences to you of an investment in our common units will depend in part on your own tax circumstances. Although this section updates information related to certain tax considerations, it should be read in conjunction with Material U.S. Federal Income Tax Consequences in the accompanying prospectus and Risk Factors Tax Risks to Common Unitholders in our 2014 Form 10-K. You are urged to consult with your tax advisor about the federal, state, local and non-U.S. tax consequences particular to your circumstances.

Partnership Tax Treatment

The anticipated after-tax economic benefit of an investment in our common units depends largely on our being treated as a partnership for federal income tax purposes. We have not requested, and do not plan to request, a ruling from the IRS with respect to our partnership status. In order to be treated as a partnership for federal income tax purposes, at least 90% of our gross income must be from specific qualifying sources, such as income and gains derived from the sale of real property or other passive types of income such as dividends. We estimate that less than 7% of our current gross income is not qualifying income; however, this estimate could change from time to time. For a more complete description of this qualifying income requirement, please read Material U.S. Federal Income Tax Consequences Taxation of the Partnership Partnership Status in the accompanying prospectus.

If we were treated as a corporation for federal income tax purposes, we would pay federal income tax on our taxable income at the corporate tax rate, which is currently a maximum of 35%, and would likely pay state income tax at varying rates. Distributions to you would generally be taxed again as corporate distributions, and no income, gains, losses or deductions would flow through to you. Because a tax would be imposed upon us as a corporation, our cash available for distribution to you would be substantially reduced. Therefore, treatment of us as a corporation would result in a material reduction in the anticipated cash flow and after-tax return to the unitholders, likely causing a substantial reduction in the value of common units.

Ratio of Taxable Income to Distributions

We estimate that a purchaser of common units in this offering who owns those common units from the date of closing of this offering through the record date for distributions for the period ending December 31, 2017, will be allocated, on a cumulative basis, an amount of federal taxable income for that period that will be 30% or less of the cash distributed with respect to that period. Thereafter, we anticipate that the ratio of allocable taxable income to cash distributions to the unitholders will increase. These estimates are based upon the assumption that gross income from operations will approximate the amount required to make current quarterly distribution on all units and other assumptions with respect to capital expenditures, cash flow, net working capital and anticipated cash distributions. These estimates and assumptions are subject to, among other things, numerous business, economic, regulatory, legislative, competitive and political uncertainties beyond our control. Further, the estimates are based on current tax law and tax reporting positions that we will adopt and with which the IRS could disagree. Accordingly, we cannot assure you that these estimates will prove to be correct. The actual percentage of distributions that will constitute taxable income could be higher or lower than expected, and any differences could be material and could materially affect the value of the common units. For example, the ratio of allocable taxable income to cash distributions to a purchaser of common units in this offering will be greater, and perhaps substantially greater, than our estimate with respect to the period described above if:

gross income from operations exceeds the amount required to make current quarterly distributions on all units, yet we only distribute the current quarterly distributions on all units; or

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we make a future offering of common units and use the proceeds of the offering in a manner that does not produce substantial additional deductions during the period described above, such as to repay indebtedness outstanding at the time of this offering or to acquire property that is not eligible for depreciation or amortization for federal income tax purposes or that is depreciable or amortizable at a rate significantly slower than the rate applicable to our assets at the time of this offering.

Tax-Exempt Organizations & Other Investors

Ownership of common units by tax-exempt entities, including employee benefit plans and individual retirement accounts (known as IRAs), and non-U.S. investors raises issues unique to such persons. Please read **Material U.S. Federal Income Tax Consequences Tax-Exempt Organizations and Other Investors** in the accompanying prospectus.

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Raymond James & Associates, Inc. is acting as the representative of the underwriters named below and as the book-running manager for this offering. Subject to the terms and conditions contained in an underwriting agreement dated _____, 2015, among us and the underwriters, the underwriters named below have severally agreed to purchase, and we have agreed to sell to them, severally, the number of common units indicated below:

Underwriter	Number of Common Units
Raymond James & Associates, Inc.	
Janney Montgomery Scott LLC	
Wunderlich Securities, Inc.	
BB&T Capital Markets, a division of BB&T Securities, LLC	
Ladenburg Thalmann & Co. Inc.	
 Total	 2,100,000

The underwriters have agreed to purchase all of the common units sold under the underwriting agreement if any of these common units are purchased.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933, as amended, or the Securities Act, or to contribute to payments the underwriters may be required to make in respect of those liabilities.

Commissions and Discounts

The underwriters' representative has advised us that the underwriters propose initially to offer the common units to the public at the public offering price on the cover page of this prospectus supplement and to dealers at that price less a concession not in excess of \$ _____ per common unit. The underwriters may allow a discount not in excess of \$ _____ per common unit to other dealers. After the public offering, the public offering price, concession and discount may be changed.

The following table shows the public offering price, underwriting discount and proceeds before expenses to us. The information assumes either no exercise or full exercise by the underwriters of their over-allotment option to purchase additional common units from us:

	Per Common Unit	No Exercise	Full Exercise
Public offering price	\$	\$	\$
Underwriting discount	\$	\$	\$
Proceeds, before expenses, to StoneMor Partners L.P.	\$	\$	\$

The expenses of the offering payable by StoneMor Partners L.P., not including the underwriting discount, are estimated to be \$500,000 and are payable by us.

Over-allotment Option

We have granted to the underwriters an option, exercisable for 30 days from the date of this prospectus supplement, to purchase up to an aggregate of 315,000 additional common units from us at the public offering price listed on the cover page of this prospectus supplement, less the

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underwriting discount. The underwriters may exercise this option solely for the purpose of covering overallocments, if any, made in connection with the offering of the common units offered by this prospectus supplement. If the underwriters' option is exercised in full, the total price to the public would be approximately \$ million and the total proceeds to us would be approximately \$ million after deducting the underwriting discount and estimated offering expenses.

No Sales of Similar Securities

We and each of the directors and officers of our general partner have agreed, with exceptions, not to sell or transfer any common units for 90 days after the date of this prospectus supplement, subject to an extension of up to 18 days, without first obtaining the written consent of the representative, Raymond James & Associates, Inc., on behalf of the underwriters. Specifically, we and these other individuals have agreed not to directly or indirectly:

offer, pledge, sell, contract to sell, sell any common units;

sell any option or contract to purchase any common units;

purchase any option or contract to sell any common units;

grant any option, right or warrant for the sale of any common units;

lend or either dispose of or transfer any common units;

request or demand that we file a registration statement related to the common units; or

enter into any swap or other arrangement that transfers, in whole or in part, the economic consequences of ownership of any common units, whether any transaction swap or transaction is to be settled by delivery of common units or other securities, in cash or otherwise. These restrictions do not apply to:

the sale of common units to the underwriters;

issuances under our employee benefit plans;

issuances of common units as consideration in acquisitions (provided the acquiror agrees to be bound by the lock-up for the unexpired term); or

issuances of Distribution Units to ACII.

This lock-up provision applies to common units and to securities convertible into or exchangeable or exercisable for or repayable with common units. It also applies to common units owned now or acquired later by the person executing the agreement or for which the person executing the agreement later acquires the power of disposition.

The New York Stock Exchange

Our common units are listed on the New York Stock Exchange under the symbol STON.

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Stabilization, Short Positions and Penalty Bids

The representative may engage in stabilizing transactions, short sales and purchases to cover positions created by short sales, and penalty bids or purchases for the purpose of pegging, fixing, or maintaining the price of the common units, in accordance with Regulation M under the Securities Exchange Act of 1934, as amended, or the Exchange Act.

Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum.

Short sales involve syndicate sales of common units in excess of the number of units to be purchased by the underwriters in the offering, which creates a syndicate short position. Covered short sales are sales of common units made in an amount up to the number of units represented by the underwriters' overallotment option. Transactions to close out the covered syndicate short involve either purchases of the common units in the open market after the distribution has been completed or the exercise of the overallotment option. In determining the source of common units to close out the covered syndicate short position, the underwriters will consider, among other things, the price of common units available for purchase in the open market as compared to the price at which they may purchase units through the overallotment option. The underwriters may also make naked short sales of common units in excess of the overallotment option. The underwriters must close out any naked short position by purchasing common units in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the common units in the open market after pricing that could adversely affect investors who purchase in the offering.

Syndicate covering transactions involve purchases of common units in the open market after the distribution has been completed in order to cover syndicate short positions.

Penalty bids permit the representative to reclaim a selling concession from a syndicate member when the common units originally sold by the syndicate member are purchased in a stabilizing or syndicate covering transaction to cover syndicate short positions. These stabilizing transactions, syndicate covering transactions, and penalty bids may have the effect of raising or maintaining the market price of our common units or preventing or retarding a decline in the market price of our common units. As a result, the price of our common units may be higher than the price that might otherwise exist in the open market. These transactions may be effected on the New York Stock Exchange or otherwise and, if commenced, may be discontinued at any time.

Neither we nor any of the underwriters makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the common units. In addition, neither we nor any of the underwriters makes any representation that the underwriters will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

Passive Market Making

In connection with this offering, the underwriters and selling group members may engage in passive market making transactions in the common units on the New York Stock Exchange in accordance with Rule 103 of Regulation M under the Exchange Act during a period before the commencement of offers or sales of common units and extending through the completion of

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distribution. A passive market maker must display its bid at a price not in excess of the highest independent bid of that security. However, if all independent bids are lowered below the passive market maker's bid, the bid must then be lowered when specified purchase limits are exceeded.

FINRA Conduct Rules

An affiliate of Raymond James & Associates, Inc. is a lender under our credit facility and may receive more than five percent of the proceeds of this offering (in addition to underwriting discounts and commissions) pursuant to the repayment of borrowings thereunder. No conflict of interest exists between us and the underwriters under Financial Industry Regulatory Authority Rule 5121. Because the common units offered hereby are interests in a direct participation program, as defined in Financial Industry Regulatory Authority Rule 2310, investor suitability with respect to the common units will be judged similarly to the suitability with respect to other securities that are listed for trading on a national securities exchange.

Electronic Distribution

A prospectus in electronic format will be made available on the website maintained by one or more of the underwriters participating in this offering. Other than the electronic prospectus, the information on such websites is not part of this prospectus.

Other Relationships

Certain of the underwriters and their affiliates perform various financial advisory, investment banking and commercial banking services from time to time for us and our affiliates, for which they received or will receive customary fees and expense reimbursement.

In the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of us or our affiliates.

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LEGAL MATTERS

The validity of the common units will be passed upon for us by Vinson & Elkins L.L.P., New York, New York. Certain legal matters relating to the offering of the common units will be passed upon for the underwriters by Andrews Kurth LLP, Austin, Texas.

EXPERTS

The consolidated financial statements of StoneMor Partners L.P. as of December 31, 2014, 2013 and 2012, incorporated herein by reference from StoneMor Partners L.P.'s Annual Report on Form 10-K filed on March 16, 2015, and the effectiveness of StoneMor Partners L.P.'s internal control over financial reporting as of December 31, 2014 incorporated from StoneMor Partners L.P.'s Annual Report on Form 10-K filed on March 16, 2015, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports which are incorporated herein by reference. Such financial statements have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and other reports and other information with the SEC under the Securities Exchange Act of 1934, as amended, or the Exchange Act. You may read and copy any reports, statements or other information filed by us at the SEC's public reference room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Copies of such materials can be obtained by mail at prescribed rates from the Public Reference Room of the SEC, 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Our filings with the SEC are also available to the public from commercial document retrieval services and at the SEC's web site at <http://www.sec.gov>.

We incorporate by reference information into this prospectus supplement, which means that we disclose important information to you by referring you to other documents filed separately with the SEC. The information incorporated by reference is deemed to be part of this prospectus supplement, except for any information superseded by information contained expressly in this prospectus supplement, and the information we file later with the SEC will automatically supersede this information until the termination of this offering (other than information deemed to have been furnished or not filed in accordance with the SEC rules). You should not assume that the information in this prospectus supplement is current as of any date other than the date on the front page of this prospectus supplement.

We incorporate by reference the documents listed below filed by us and any future filings made after the date of the initial filing of the registration statement of which this prospectus supplement is a part with the SEC under sections 13(a), 13(c), 14 or 15(d) of the Exchange Act until the termination of the offering under this prospectus supplement (other than, in each case, information deemed to have been furnished or not filed in accordance with the SEC rules).

Our Annual Report on Form 10-K for the year ended December 31, 2014 filed on March 16, 2015;

Our Quarterly Report on Form 10-Q for the quarter ended March 31, 2015 filed on May 8, 2015;

Our Current Reports on Form 8-K filed on May 18, 2015 and July 6, 2015;

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The description of the common units contained in the Registration Statement on Form 8-A, initially filed on August 23, 2004, and any subsequent amendment thereto filed for the purpose of updating such description.

You may request a copy of any document incorporated by reference in this prospectus supplement and any exhibit specifically incorporated by reference in those documents, at no cost, by writing or telephoning us at the following address or phone number:

StoneMor Partners L.P.

311 Veterans Highway, Suite B

Levittown, PA 19056

(215) 826-2800

Attn: Investor Relations

We also make available free of charge on our website at <http://www.stonemor.com> our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and Section 16 reports, and any amendments to those reports, as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC.

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PROSPECTUS

\$500,000,000

StoneMor Partners L.P.

Common Units

Other Classes of Units Representing

Limited Partner Interests

We may from time to time offer up to \$500,000,000 of common units representing limited partner interests and other classes of units representing limited partner interests in StoneMor Partners L.P. We refer to the common units and other classes of units representing limited partner interests in StoneMor Partners L.P. collectively as the securities. This prospectus describes the general terms of the securities and the general manner in which we will offer the securities. The specific terms of any securities we offer will be included in a supplement to this prospectus. The prospectus supplement will also describe the specific manner in which we will offer the securities.

Our common units are traded on the New York Stock Exchange (NYSE) under the symbol STON.

We will provide information in the prospectus supplement for the trading market, if any, for any other classes of units representing limited partner interests we may offer.

Investing in our securities involves risks, including those associated with the inherent differences between limited partnerships and corporations. You should carefully consider the risks relating to investing in our securities and each of the other risk factors incorporated by reference under Risk Factors beginning on page 5 of this prospectus before you make an investment in our securities.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is December 16, 2013.

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You should rely only on the information contained or incorporated by reference in this prospectus. We have not authorized any other person to provide you with different information. You should not assume that the information incorporated by reference or provided in this prospectus is accurate as of any date other than the date on the front of this prospectus.

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