

FORM ADV PART 2A: BROCHURE



LONG CASTLE, LP

660 Steamboat Road
Greenwich, CT 06830
Phone: 203-293-1685
www.long-castle.com

CRD #300775

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This brochure (the “Brochure”) provides information about the qualifications and business practices of Long Castle, LP (“Long Castle” or the “Firm”). If you have any questions about the contents of this Brochure, please contact us at 203-293-1685. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority. Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about Long Castle is also available on the SEC’s website at www.adviserinfo.sec.gov. You can search the SEC’s site using a unique identifying number, known as a CRD number. The CRD number for Long Castle, LP is #300775.

ITEM 2: MATERIAL CHANGES

Since the filing of its initial Form ADV Part 2A Brochure on February 17, 2019, Long Castle, LP (“Long Castle” or the “Firm”) reports the following material changes:

- As reported in Item 4, Long Castle was briefly registered as an investment adviser with the U.S. Securities and Exchange Commission in reliance upon Rule 203A-2(c) under the Investment Advisers Act of 1940, as amended. The Firm did not meet the qualifications necessary to remain registered and recently withdrew this registration. Long Castle expects to meet these qualifications in the very near term, and to this end, is submitting a new application to become a federally registered adviser, again in reliance upon Rule 203A-2(c).
- GPC LC Investments LLC has taken a minority ownership interest in Long Castle. As reported in Items 4 and 10, this entity does not exert any control over the activities or policies of the Firm. See Item 10 for a discussion of potential conflicts of interest relative to this ownership interest.
- Long Castle has a new telephone number, which is 203-293-1685.

Going forward, Long Castle will provide clients with a summary of any material changes to this Brochure within 120 days of the close of the Firm’s fiscal year end. Long Castle may provide additional interim disclosure about material changes, if warranted, in compliance with regulatory guidance. For a current copy of the Firm’s Brochure, please contact Jerry Chang, Chief Compliance Officer, at 203-293-1685 or compliance@long-castle.com.

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ITEM 4: ADVISORY BUSINESS

A. Describe your advisory firm, including how long you have been in business. Identify your principal owner(s).

Long Castle, LP is a limited partnership established in January 2019, with its principal place of business in Greenwich, CT, to provide discretionary investment management services to institutional clients through Separate Accounts (“Clients”). John Robert Manion and Gregory A. (Greg) Berman collectively hold a majority stake, while GPC LC Investments LLC holds a minority stake in Long Castle, LP.

Long Castle, LP was briefly registered as an investment adviser with the U.S. Securities and Exchange Commission in reliance upon Rule 203A-2(c) under the Investment Advisers Act of 1940, as amended. The Firm did not meet the qualifications necessary to remain registered and recently withdrew its registration. Long Castle, LP expects to meet these qualifications in the very near term, and to this end, is submitting a new application to become a federally registered adviser, again in reliance upon Rule 203A-2(c).

Throughout this Brochure, Long Castle, LP, together with certain affiliate entities, is referred to as “Long Castle”, the “Firm”, “we”, “us”, and “our.”

B. Describe the types of advisory services you offer. If you hold yourself out as specializing in a particular type of advisory service, such as financial planning, quantitative analysis, or market timing, explain the nature of that service in greater detail. If you provide investment advice only with respect to limited types of investments, explain the type of investment advice you offer, and disclose that your advice is limited to those types of investments.

Investment Objective and Strategy

Generally, Long Castle manages assets on a fully discretionary basis. Long Castle provides its investment management services to institutional Clients and certain other Clients that are described in Item 7. Long Castle works closely with its Clients to develop specified investment guidelines for each mandate. The investment guidelines for the mandate set forth the parameters of Long Castle's investment authority with respect to such assignment.

Long Castle seeks to efficiently manage the risks posed by assets associated with large defined benefit pension plans with respect to the plan's overall liability profile and funding objectives. Long Castle designs and implements investment strategies and structures designed to best complement the existing portfolios of a Client to better meet the Client's overall investment objectives.

Long Castle generally designs, invests, and monitors investments implemented through insurance policies and other financial instruments customized to the mandated risk parameters of each Client's Separate Account.

Long Castle seeks to identify and extract value for the benefit of Clients from opportunistic and structural imbalances in markets especially those that are under-utilized by investors due to technical complexity or market immaturity.

Each Separate Account may suffer losses during adverse moves in the underlying assets.

Investment Committee

The Investment Committee consists of two or more of the Partners of Long Castle and may include expert advisors that will be designated by the Managing Partners in the future. The current Committee members are Managing Partners John Manion and Greg Berman.

Investment Management Agreements

Long Castle enters into a written investment management agreement with each Client. Each agreement includes provisions related to investment strategies, management and other fees, and investment guidelines. Termination provisions are specified in each agreement.

C. Explain whether (and, if so, how) you tailor your advisory services to the individual needs of clients. Explain whether clients may impose restrictions on investing in certain securities or types of securities.

Generally, Long Castle assists Clients in developing investment guidelines tailored to each Client's specific needs. The guidelines generally specify limits on the type and amount of securities held. The Client may specify targets and limits for various investment parameters including, but not limited to, asset class exposure, term of investment, counterparty exposure, and other features. Long Castle will accept other restrictions if it believes that it can implement a Client's investment program in compliance with the Client's objectives.

D. If you participate in wrap fee programs by providing portfolio management services, (1) describe the differences, if any, between how you manage wrap fee accounts and how you manage other accounts, and (2) explain that you receive a portion of the wrap fee for your services.

Long Castle does not participate in wrap fee programs.

E. If you manage client assets, disclose the amount of client assets you manage on a discretionary basis and the amount of client assets you manage on a non-discretionary basis. Disclose the date "as of" which you calculated the amounts.

As of the date of this filing, Long Castle has no Regulatory Assets under Management.

ITEM 5: FEES AND COMPENSATION

A. Describe how you are compensated for your advisory services. Provide your fee schedule. Disclose whether the fees are negotiable.

As Long Castle only provides advisory services to Separate Account Clients who are "qualified purchasers" under Section 2(a)(51) of the Investment Company Act of 1940, we have not included a fee schedule or related information.

Long Castle's compensation practices vary depending upon the specific arrangement with the Client. Fees may be based on a percentage of plan assets, percentage of notional market exposure, performance-based measures, flat fees, or other measures.

Fee Negotiation

Fees are negotiable based on numerous factors, including the Client's historical relationship with Long Castle and its Partners, account size, current and anticipated future assets under management, marketplace considerations, Client's operational or investment limitations or restrictions, level of Client servicing required, and other factors Long Castle deems relevant. To the extent fees are negotiable, certain Clients may pay more or less than other Clients for the same or similar investment management services.

B. Describe whether you deduct fees from clients' assets or bill clients for fees incurred. If clients may select either method, disclose this fact. Explain how often you bill clients or deduct your fees.

Long Castle does not deduct fees from the Client's account; nor does it have the authority to do so. The Client or its designee must direct fee payment to us. However, this practice may vary depending upon the specific arrangement with the Client. Asset management fees may be invoiced monthly or quarterly, in advance or in arrears, as negotiated with each Client, as specified in the Client's investment management agreement.

C. Describe any other types of fees or expenses clients may pay in connection with your advisory services, such as custodian fees or mutual fund expenses. Disclose that clients will incur brokerage and other transaction costs, and direct clients to the section(s) of your brochure that discuss brokerage.

Long Castle only provides investment management and investment advisory services. In addition to Long Castle's fees, a Client may incur fees payable to other service providers for such services as the following: portfolio management, custody, transaction settlement, pricing, recordkeeping, audit, and legal advice services. The Client makes its own arrangements and negotiates the terms of these service arrangements. See Item 12 – Brokerage Practices for more information about brokerage services.

D. If your clients either may or must pay your fees in advance, disclose this fact. Explain how a client may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.

Clients are generally invoiced for investment management fees on a monthly or quarterly basis either in arrears or in advance. Investment or other fees earned which are applicable to any periods prior to termination will be due and payable upon termination, while ongoing investment management fees will be pro-rated to cover only the period in which Long Castle's services were utilized by the Client. See investment management agreements for details of all fee arrangements.

Account Termination

Termination arrangements including periods of notice, process of termination and termination fee arrangements are negotiated with each Client.

- E. If you or any of your supervised persons accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, disclose this fact.**

Greg Berman is affiliated with Tangent Capital Partners, LLC (“Tangent”), an SEC registered broker-dealer and member of FINRA. Tangent is an introducing broker-dealer that provides private placement services and acts as an advisor for merger and acquisition transactions. Tangent receives commissions and/or fees for these activities. Tangent does not maintain any customer assets and does not act as an execution broker for any Client.

Greg Berman does not have an ownership interest in Tangent, although he is compensated for investment banking work on behalf of Tangent. This compensation can take the form of contingent fees, fixed fees, a share of transaction fees, performance-related fees, equity in private securities, or warrants linked to the value of such securities.

While other employees of Tangent may provide services to Long Castle Clients, Greg Berman does not solicit such activities and is not compensated for the conduct of such business. While Greg Berman has duties and responsibilities to both firms, Long Castle does not believe that these activities present a conflict of interest.

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

If you or any of your supervised persons accepts performance-based fees – that is, fees based on a share of capital gains on or capital appreciation of the assets of a client (such as a Client that is a hedge fund or other pooled investment vehicle) disclose this fact. If you or any of your supervised persons manage both accounts that are charged a performance-based fee and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee, disclose this fact. Explain the conflicts of interest that you or your supervised persons face by managing these accounts at the same time, including that you or your supervised persons have an incentive to favor accounts for which you or your supervised persons receive a performance-based fee, and describe generally how you address these conflicts.

Performance-based fees (where applicable to a Client account) are fees based on an increase in value of the assets of a Client as compared to a pre-agreed benchmark. Such benchmark is determined according to a pre-agreed formula set out in the relevant Client investment management agreement.

By charging performance fees to only some accounts we face a variety of conflicts because we may potentially receive greater fees from accounts having a performance-based compensation structure than from those accounts charged a fee not directly derived from performance (e.g., an asset-based fee). As a result, we may have an incentive to direct the best investment ideas to, or to allocate or sequence trades in favor of, the account that pays a performance fee. To overcome this

conflict, Long Castle maintains policies and procedures to ensure the fulfilment of our fiduciary duty.

ITEM 7: TYPES OF CLIENTS

Describe the types of clients to whom you generally provide investment advice, such as individuals, trusts, investment companies, or pension plans. If you have any requirements for opening or maintaining an account, such as a minimum account size, disclose the requirements.

Long Castle provides investment advice only to institutional Clients. Our Clients generally consist of pension and profit-sharing plans and other retirement benefit programs and charitable organizations, foundations, and endowments.

Potential Clients may include, without limitation:

- State or municipal government entities.
- Insurance companies;
- Corporations;
- Family offices;
- Investment companies; and
- Pooled investment vehicles.

The minimum initial investment amount for Separate Accounts is generally at least \$200,000,000. In general, the minimum investment required for an account depends on the type, number, and complexity of the strategies and instruments to be managed in the vehicle and the time horizon of the investment. These requirements can be waived at the discretion of Long Castle.

ERISA Accounts

Clients are required to disclose to Long Castle if any assets to be managed fall under the scope of ERISA accounts. Clients are required to seek their own legal advice regarding the applicability of ERISA to any investment management agreement they intend to enter into with Long Castle. Where an agreement to manage an account is consummated, Long Castle will then assume obligations of either a co-fiduciary or as a delegated fiduciary as per the terms of the agreement. Irrespective of specifics of the arrangement, Long Castle expects to exercise the standards of care applicable to the management of ERISA assets. Long Castle conducts required due diligence, and seeks appropriate assurances and controls, to confirm that no investment executed by Long Castle is a Prohibited Transaction except where an appropriate exemption applies. Long Castle does not intend to rely on the Qualified Pension Asset Manager (QPAM) exemptions, however, where Long Castle meets the eligibility conditions for QPAM exemptions to apply in respect of a Separate Account and it is appropriate in the specific Client's circumstances, then it may rely on such exemptions.

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

- A. Describe the methods of analysis and investment strategies you use in formulating investment advice or managing assets. Explain that investing in securities involves risk of loss that clients should be prepared to bear.**

Sourcing of Investments

Initially, Long Castle considers the current investment strategy of the Client with specific focus on overall asset allocation and portfolio rebalancing algorithms. In certain Client circumstances that Long Castle is able to identify through proprietary quantitative research, a Client may have exposure to volatility and correlation of and between asset classes.

Volatility is the degree to which the daily movements of a financial asset deviate from its mean. Generally, the higher the expected volatility of an asset, the riskier the potential return of such asset is considered to be. Historical or “realized” volatility is the volatility of a financial instrument based on historical returns. This phrase is used particularly to distinguish between the actual volatility of an instrument looking backward, and the future volatility predicted or “implied” by the market. Correlation is a measure of interdependence between prices of two or more financial instruments. If such instruments are positively correlated, then their prices tend to move upwards and downwards together more often than not.

In such specific cases, Long Castle considers the strategic and tactical risks and benefits of a structured solution or a trading algorithm as a possible portfolio investment for a portion of Client’s portfolio.

Next, Long Castle identifies tactical and/or structural opportunities where the Client’s preferred allocation strategy and desired factor exposure can be implemented in a manner that improves overall returns and/or reduces costs and undesired risk exposures. While generally following the same investment strategy, Long Castle provides Clients with the ability to tailor their Separate Account through investment and risk guidelines and other specialized investment terms at inception of the mandate.

Long Castle provides desired exposure through illiquid instruments that should be considered a long-term investment with limited liquidity, transferability, and ability to terminate prior to the expected termination date. Once capital is committed, Long Castle’s ability to modify specific terms of investments is substantially restricted.

It should be noted that the purpose of Long Castle is to assist the Client in maintaining desired asset class exposures in an optimized manner, and not to provide a meaningful hedge in the event of a significant market correction. Some asset classes may perform better or worse in the face of a significant market event.

Investment Approval Process

The investment approval process entails both qualitative and quantitative components. Once a particular investment has been identified, Long Castle has the discretion to execute and adjust the investments as necessary to give effect to the aim of such investment.

Written recommendations are made by Long Castle staff to the Long Castle Investment Committee in respect of all investments to be considered for a Client's account. The Investment Committee may approve, modify, or decline such recommendations. The Investment Committee may consider specialist (such as legal, tax or accounting) advice in making its decisions.

The Long Castle Investment Committee formally reviews the continued appropriateness of all investments in each Client Separate Account at least quarterly and takes actions based on those reviews.

Where material events occur between quarterly review dates, the Investment Committee would expect to convene and carry out such reviews as and when necessary and take appropriate actions based on the outcome of such reviews.

Such material events cannot be predicted in advance. An example would include changes in the assessed credit worthiness of counterparties, significant changes in equity or bond market conditions, regulatory policy changes or major events that may lead to a material unexpected change to the expected risk profile of the investments.

Investment Process

Long Castle normally delivers exposure to Separate Accounts through use of customized insurance products. When we directly invest in insurance contracts where we seek "best execution", Long Castle's goal is to achieve the optimal combination of price, service, and execution by considering all circumstances including qualitative factors (such as, for example, confidence in operational processes) relevant to achieving Client objectives. Certain factors potentially affecting best execution determinations include, but are not limited to:

- Speed of execution and/or responsiveness;
- Capacity - the ability and timing of the insurance company to enter into a contract for different levels of premium;
- Insurance company's integrity in controlling information leakage;
- Insurance company's expertise in the contract structure, its pricing and market dynamics;
- Insurance company's past, current and future ability, and willingness to make competitive offerings;
- Insurance company's operational processes - ease of ensuring high quality operational servicing and information access
- Insurance company's back office proficiency - overall quality of post-execution service;
- Transaction characteristics - the size, type, and complexity of the transaction itself;
- Instrument characteristics - unique characteristics to the security and its market;
- On-going diversification of counterparty risk; and
- Collateral account requirements and procedures.

Risk of Loss

Investing in securities involves risk of loss that Clients should be prepared to bear.

- B. For each significant investment strategy or method of analysis you use, explain the material risks involved. If the method of analysis or strategy involves significant or unusual risks, discuss these risks in detail. If your primary strategy involves frequent trading of securities, explain how frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.**

General Risks

This Brochure does not include every potential risk.

Clients should be aware that an investment in Separate Account involves a high degree of risk and, therefore, should be undertaken only by those capable of evaluating the risks and bearing the risks it represents. There can be no assurance that a Client's investment objectives will be achieved, or that a Separate Account Client will receive a return of capital, and therefore, a Separate Account Client should only invest if able to withstand a total loss of investment. In addition, there will be occasions when Long Castle may encounter potential conflicts of interest in connection with Separate Account Clients. The following considerations, among others, should be carefully evaluated before investing.

Prospective clients should carefully consider the risk factors detailed below in evaluating the merits and suitability of the investment strategies implemented by Long Castle. The following is not a comprehensive summary of all the risks associated with such investment strategies. Rather, the following are only certain risks which Long Castle wishes to encourage prospective Clients to consider and discuss in detail with their professional advisors.

Mark to Market Risk

Long Castle's strategies are exposed to the risk that positions will be marked using models, parameters or assumptions which may cause unexpected changes in valuation. This mark-to-market could be caused by, among other possibilities, a change in implied volatility or other structure parameters.

Risk Related to Investing in Derivatives

The prices of derivative instruments, including financial and commodity futures and options, are highly volatile. Because of the low margin deposits normally required in derivatives trading, an extremely high degree of leverage is typical of a derivative trading account. Payments made pursuant to swap agreements may also be highly volatile. Like other leveraged investments, a futures transaction may result in losses in excess of the amount invested. In addition, the pertinent Separate Account's assets are also subject to the risk of the failure of any of the exchanges on which its positions trade or of its clearinghouses or counterparties.

Over-the-counter ("OTC") swap, forward and option contracts are not traded on exchanges and are not standardized. These markets can experience periods of illiquidity, sometimes of significant duration. Market illiquidity or disruption could result in major losses to a Separate Account. Such OTC derivative transactions also subject a Separate Account to counterparty risk. A Separate Account may make investments in credit default swaps, total rate of return swaps or other credit derivatives. Credit derivatives are a relatively recent development in the financial markets and entail certain legal, tax and market uncertainties. There is currently little or no case law or litigation

characterizing these instruments, interpreting their provisions, or characterizing their tax treatment. In addition, additional regulations and laws may apply to these instruments that have not yet been applied.

Risks Related to Options Trading

Trading volatility is a very complex strategy and requires significant quantitative and mathematical resources and capabilities. The pricing of options involves a wide variety of factors—including the variability of interest rates, the time to expiration, the price of the underlying, the volatility of the underlying, and general market sentiment. There can be no assurance that Long Castle will correctly value its options positions or that the market will, in fact, revert to theoretical values; consequently, substantial losses could be incurred by a Separate Account.

- **Risks Related to the Pricing of Volatility of Options.** Options are often quoted in terms of implied volatility. If Long Castle incorrectly assesses market volatility, Long Castle will misprice the options it trades, which may result in significant losses.
- **Risks Related to the Time Value of Options.** Longer-dated options tend to be far less liquid than near-term options. Certain trades which Long Castle may execute will value longer-dated options, which carry material incremental liquidity risk.
- **“Pin Risk”.** Concentrated option positions become riskier at expiration if the underlying is trading at or near the strike price. This results in a difficult portfolio management environment. Similarly, if an option closes right at strike, a Separate Account could lose the entire premium on the option and possibly additional money on its hedge.
- **Interest Rate Risk.** Prevailing interest rates are a principal component of options pricing. Consequently, unexpected changes in interest rates can result in Long Castle and/or the Separate Accounts incurring significant losses.

Gap Risk

The Separate Accounts' investment strategy and other strategies are exposed to gap risk. Gap risk is the risk that the underlying investment's price will instantaneously, or over a very short amount of time, move significantly. For example, there is a risk that the relevant benchmark index could open its trading on a given day 10% lower. In addition to each Separate Account being exposed to the risk of large market moves, the Separate Accounts are also exposed to the risk of the market making those moves in such a short amount of time that Long Castle is unable to adjust portfolio positioning or report the need for such portfolio adjustments to the Client in a timely manner.

Structured Investments

A Separate Account may at times invest in structured investments or insurance contracts. A structured investment is a security having a return tied to an underlying index or other security or asset class. Structured securities are typically sold in private placement transactions, and there currently is no active trading market for structured securities. These instruments may involve special risks, including the fact that they may be subordinated to the right of payment of another class of securities, and the risks discussed in “Hybrid Instruments” below.

Hybrid Instruments

These instruments are generally considered derivatives and include indexed or structured securities and combine the elements of futures contracts or options with those of debt, preferred equity, or a

depository instrument. A hybrid instrument may be a debt security, preferred stock, warrant, convertible security, certificate of deposit or other evidence of indebtedness on which a portion of or all interest payments, and/or the principal or stated amount payable at maturity, redemption or retirement is determined by reference to prices, changes in prices, or differences between prices, of securities, currencies, intangibles, goods, articles or commodities, or by another objective index, economic factor or other measure, including interest rates, currency exchange rates, or commodities or securities indices. The risks of investing in hybrid instruments reflect a combination of the risks of investing in securities, options, futures, and currencies. Hybrid instruments may be highly volatile and their use by a Separate Account may not be successful.

Risks Applicable to Insurance Company Contracts

Investments in insurance company contracts are subject to significant risks relating to the matching of assets and liability characteristics such as interest rate duration and weighted average life and to credit risk. If assumptions relating to these characteristics prove to be incorrect and an insurance company's assets and liabilities are not appropriately matched, such insurance company's financial condition could be adversely affected, which may have resulting economic and regulatory implications for a Separate Account. Furthermore, insurance company portfolios tend to have a significant amount of interest rate-sensitive instruments. Interest rates are highly sensitive to many factors, including governmental monetary policies and domestic and international economic and political conditions and other factors beyond Long Castle's control. Because of the unpredictable nature of losses that may arise under insurance liabilities, liquidity needs could be substantial and may increase at any time. Changes in interest rates could have an adverse effect on the value of an insurance company investment portfolio and future investment income. For example, changes in interest rates could expose a Separate Account to prepayment risks on mortgage backed securities. Increases in interest rates will generally decrease the value of investments in fixed-income securities. If increases in interest rates occur during periods when a Separate Account is required to sell investments to satisfy liquidity needs, such Separate Account may experience investment losses. If interest rates decline, reinvested funds will earn less than expected. Insurance company investments are also exposed to significant credit risk on fixed income securities, including investments in investment grade and high-yield bonds.

Issuers or guarantors of such fixed income securities may default on principal or interest payments owed, or the underlying collateral may default on such payments, causing an adverse change in cash flows. An economic downturn affecting the issuers or underlying collateral of these securities, a ratings downgrade affecting the issuers of such securities, or similar trends and issues could cause default rates of the fixed income securities in these portfolios to increase resulting in losses to shareholders of such insurance companies.

Illiquidity of Investments

A Separate Account may make private investments that are subject to liquidity-related risks, particularly the risk that a Separate Account will be unable to dispose of such investments by sale or other means at attractive prices or will otherwise be unable to complete any exit strategy. Among others, these risks include changes in the financial condition or prospects of the entity in which the investment is made. To the extent that there is no liquid trading market for an investment, a Separate Account may be unable to liquidate that investment or may be unable to do so at a profit. Moreover, there can be no assurances that private purchasers for a Separate Account's investments

will be found. In addition, in some cases a Separate Account may be prohibited by contract or regulatory restrictions from selling such securities for a period of time.

It is not generally expected that private securities acquired by a Separate Account will eventually be registered and listed on a securities exchange. Absent registration, such Separate Account will not be able to sell such securities unless an exemption from such registration requirements is available.

Some investments may be relatively illiquid, making it difficult to acquire or dispose of them at the prices quoted on the various exchanges. Accordingly, Long Castle's ability to respond to market movements may be impaired, and some Separate Accounts may experience adverse price movements upon liquidation of its investments.

Reliance on Key Persons

Long Castle is dependent on the services of certain of its key personnel, and the loss of the services of one or more of these professionals could materially impair our ability to provide services to our Clients.

Counterparty Risk

Counterparty risk is the risk that the other party(ies) to an agreement or a participant in a transaction, such as an insurance company, debt issuer, broker-dealer, or other swap counterparty, might default on a contract or fail to perform by failing to pay amounts due or failing to fulfill the delivery conditions of the contract or transaction. Counterparty risk is inherent in many transactions, including, but not limited to, transactions involving insurance contracts, derivatives, repurchase agreements, securities lending, short sales, credit and liquidity enhancements and equity or commodity-linked notes.

Risk of Inadequate Quantitative Models

Long Castle's investment process is highly model driven and materially subject to possible flaws in the models (both proprietary models developed by Long Castle, and those supplied by third parties). Models that have been formulated on the basis of past market data may not be predictive of future price movements. Models may not be reliable if unusual events specific to particular issuers, or major events external to the operations of markets, because extreme market moves that are inconsistent with the historic correlation and volatility structure of the market. Models also may have hidden biases or exposure to broad structural or sentiment shifts. Furthermore, the effectiveness of such models tends to deteriorate over time as more traders seek to exploit the same market inefficiencies through the use of similar models.

Long Castle uses computer programs and systems to evaluate certain financial instruments, to monitor portfolio positions and net capital, to generate risk management and other reports, and to perform other critical functions. Certain operations will be dependent upon systems operated by third parties. Long Castle may not be in a position to verify the risks, limitations, or reliability of such third-party systems. A failure of a system or the inability of a system to function adequately could have a material adverse effect on Client accounts.

Information Risk

Long Castle uses information and data supplied by third parties. Such data may be used to construct sets of transactions and investments, to value investments or potential investments, to provide risk management insights, to assist in hedging our Clients' investments activities and to perform other critical functions. In the event that any data are incorrect, misleading, or incomplete, any determinations made in reliance on them creates potential risks. For example, faulty data may cause hedging to be unsuccessful.

Long Castle's models depend upon correct market data information. Incorrect market data will result in incorrect valuations. Even if market data is input correctly, model prices will often differ substantially from market prices, especially for complex securities such as derivative securities.

- C. If you recommend primarily a particular type of security, explain the material risks involved. If the type of security involves significant or unusual risks, discuss these risks in detail.**

See Items 8A and 8B above.

ITEM 9: DISCIPLINARY INFORMATION

If there are legal or disciplinary events that are material to a client's or prospective client's evaluation of your advisory business or the integrity of your management, disclose all material facts regarding those events.

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of Long Castle's advisory business or the integrity of Long Castle's management.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Long Castle employees may in the future provide consulting or other services to the insurance companies with whom they interact on behalf of Clients. Such services would be unrelated to the investment management services outlined in this Brochure but could present a conflict of interest. These services would be deemed outside business activities subject to the Code of Ethics and compliance oversight to mitigate any such conflict.

- A. If you or any of your management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.**

Gregory Berman, Partner, has been a registered representative of Tangent Capital Partners, LLC ("Tangent"), a FINRA-registered broker-dealer, since September 2017. Tangent does not provide any services to Separate Accounts managed by Long Castle.

Neither Long Castle nor any other of its other management persons are registered as a representative of a broker-dealer or have an application pending to register as a broker-dealer or registered representative of a broker-dealer.

- B. If you or any of your management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading adviser, or an associated person of the foregoing entities, disclose this fact.**

Neither Long Castle nor any of its management persons are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading adviser, or an associated person of the foregoing entities.

- C. Describe any relationship or arrangement that is material to your advisory business or to your clients that you or any of your management persons have with defined related persons. Identify the related person and if the relationship or arrangement creates a material conflict of interest with clients, describe the nature of the conflict and how you address it.**

GPC LC Investments LLC holds a minority ownership stake in Long Castle. Gallatin Point Capital LLC, a registered investment adviser, is the sole member of GPC LC Investments LLC. These entities share facilities and certain operating, financial, and compliance resources. To the extent one or more professionals serve both entities, there is a conflict of interest relative to the allocation of time such professional(s) dedicate to the business of Long Castle. To mitigate this conflict, a legal services agreement has been executed between parties. Any questions about this conflict should be addressed to Jerry Chang, Chief Compliance Officer, at 203-293-1685 or compliance@long-castle.com.

- D. If you recommend or select other investment advisers for your clients and you receive compensation directly or indirectly from those advisers that creates a material conflict of interest, or if you have other business relationships with those advisers that create a material conflict of interest, describe these practices, and discuss the material conflicts of interest these practices create and how you address them.**

Long Castle does not select other investment advisers on behalf of Clients.

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

- A. If you are an SEC-registered adviser, briefly describe your Code of Ethics adopted pursuant to SEC rule 204A-1 or similar state rules. Explain that you will provide a copy of your Code of Ethics to any client or prospective client upon request.**

Long Castle has adopted a Code of Ethics in accordance with Rule 204A-1 under the Advisers Act that is applicable to its Partners and employees (collectively, "Personnel"). The Code of Ethics contains provisions that remind Personnel of their obligations to Long Castle's Clients and obligations to comply with federal securities laws, sets forth standards of conduct, restricts certain personal securities trading and requires reporting of personal securities transactions and holdings. Personnel who violate the Code of Ethics may be subject to disciplinary or other action (including, without limitation, termination of employment). Personnel are required to acknowledge that they have received, read, and understand the Code of Ethics.

The Code of Ethics, among other benefits, helps Long Castle detect and prevent potential conflicts of interest. The Code of Ethics is designed to prevent the personal securities transactions and interests of Personnel from interfering with (i) making decisions for Separate Accounts and (ii) implementing such decisions while, at the same time, allowing Personnel to invest for their own accounts where appropriate. The Code of Ethics restricts trading in the securities of any issuer included on Long Castle's restricted list and requires preapproval before making a transaction in an initial public offering or limited offering. Under the Code of Ethics, Personnel are also required to file certain periodic reports consistent with Rule 204A-1 under the Advisers Act. Such reporting and review help Long Castle detect and prevent potential conflicts of interest.

A copy of Long Castle's Code of Ethics is available to any current or prospective Client by contacting Jerry Chang, Chief Compliance Officer, at 203-293-1685 or compliance@long-castle.com.

B. If you or a related person recommends to clients, or buys or sells for client accounts, securities in which you or a related person has a material financial interest, describe your practice, and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.

Not applicable.

C. If you or a related person invests in the same securities (or related securities, e.g., warrants, options, or futures) that you or a related person recommends to clients, describe your practice, and discuss the conflicts of interest this presents and generally how you address the conflicts that arise in connection with personal trading.

Long Castle requires that its personnel obtain preapproval prior to engaging in any transaction in a "reportable security" within the meaning of SEC Rule 204A.

D. If you or a related person recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that you or a related person buys or sells the same securities for your own (or the related person's own) account, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.

Personal Interests in Other Businesses

Long Castle's investment professionals have interests in other businesses in the financial industry, including investments in other private investment vehicles; however, they do not expect to spend significant time or resources in conducting such other businesses. Long Castle does not expect such interests to create a material conflict of interest. Long Castle will review each future request for participation in an outside business activity and determine whether a conflict may exist and what, if any, policies, or procedures should be applied to mitigate the conflict.

Other Potential Conflicts

Long Castle and Separate Accounts generally engage common legal counsel and other advisers in a particular transaction, including a transaction in which there may be conflicts of interest. Members of the law firms engaged to represent Separate Accounts may also represent one or more

insurance companies or other Separate Account Clients. In the event of a significant dispute or divergence of interest between Separate Accounts, Long Castle and/or its affiliates, the parties may engage separate counsel and in litigation and other circumstances, separate representation may be required.

ITEM 12: BROKERAGE PRACTICES

- A. Describe the factors that you consider in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).**

Long Castle does not select or recommend broker-dealers for client transactions.

- 1. Research and Other Soft Dollar Benefits. If you receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions (“soft dollar benefits”), disclose your practices and discuss the conflicts of interest they create.**

Long Castle does not engage in so-called “soft dollar” agreements with broker-dealers to pay for research-related expenses. However, (1) we do intend to cause or allow our Clients to take advantage of certain services offered directly to them by brokers and dealers, and (2) we do receive periodic client updates, “market color” reports, seminar invitations and similar services from service providers (including prime brokers, counterparties, law firms, and auditors) by virtue of being a client or prospective client of such providers (and/or by virtue of being an advisor to a client or prospective client of such providers).

In the ordinary course of managing Separate Accounts, we do not expect to utilize services of broker-dealers. If this changes we will amend our best execution policy in respect of our anticipated use of broker-dealers.

- 2. Brokerage for Client Referrals. If you consider, in selecting or recommending broker-dealers, whether you or a related person receives client referrals from a broker-dealer or third party, disclose this practice and discuss the conflicts of interest it creates.**

Long Castle does not direct brokerage activity to specific broker-dealers in exchange for Client referrals.

- 3. Directed Brokerage. If you routinely recommend, request, or require that a client direct you to execute transactions through a specified broker-dealer, describe your practice or policy. If you permit a client to direct brokerage, describe your practice.**

Not applicable.

- B. Discuss whether and under what conditions you aggregate the purchase or sale of securities for various client accounts. If you do not aggregate orders when you have the opportunity to do so, explain your practice and describe the costs to clients of not aggregating.**

Not applicable.

ITEM 13: REVIEW OF ACCOUNTS

- A. Indicate whether you periodically review client accounts or financial plans. If you do, describe the frequency and nature of the review, and the titles of the supervised persons who conduct the review.**

Our senior personnel, including our individual portfolio managers and researchers, conduct periodic reviews of our Clients' portfolios. These reviews consider but are not limited to a review of performance, transactions, and compliance with guidelines and strategy.

Informal periodic reviews consider but are not limited to a review of performance, transactions, compliance with guidelines and other criteria relevant to the management of Client portfolios. Additional reviews may be conducted during times of market stress, strategy change, and portfolio transition or as determined by Long Castle or the Client.

- B. If you review client accounts on other than a periodic basis, describe the factors that trigger a review.**

A review of a Client portfolio may also be triggered by any activity or unusual circumstances.

- C. Describe the content and indicate the frequency of regular reports you provide to clients regarding their accounts. State whether these reports are written.**

In general, Long Castle delivers unaudited reports on a monthly basis or as frequently as agreed to with the Client. The monthly report includes performance, transactions, positions, compliance with guidelines and other criteria agreed to by the Client and Long Castle.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

- A. If someone who is not a client provides an economic benefit to you for providing investment advice or other advisory services to your clients, generally describe the arrangement, explain the conflicts of interest, and describe how you address the conflicts of interest. For purposes of this Item, economic benefits include any sales awards or other prizes.**

Not applicable.

- B. If you or a related person directly or indirectly compensates any person who is not your supervised person for client referrals, describe the arrangement and the compensation.**

Long Castle does not directly or indirectly compensate any person who is not a supervised person for client referrals.

ITEM 15: CUSTODY

If you have custody of client funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to your clients, explain that clients will receive account statements from the broker-dealer, bank or other qualified custodian and that clients should carefully review those statements. If your clients also receive account statements from you, your explanation must include a statement urging clients to compare the account statements they receive from the qualified custodian with those they receive from you.

"Custody" means holding, directly or indirectly, client funds or securities, having any authority to obtain possession of them, or having the ability to appropriate them. Long Castle does not accept or maintain custody of any Client accounts. All Clients must either place their assets with a "qualified custodian" or hold the assets directly under the Client's direct control. Where Clients engage the custodian to retain their funds and securities and direct Long Castle to work with the custodian on the Client's behalf, Clients should review statements provided by the custodian and compare to any reports provided by Long Castle to ensure accuracy, as the custodian does not perform this review.

If Long Castle opens an account with a qualified custodian on behalf of an advisory Client, the Firm shall notify the Client in writing of the qualified custodian's name, address and the manner in which the funds or securities are maintained, promptly when the account is opened and following any changes to this information.

ITEM 16: INVESTMENT DISCRETION

If you accept discretionary authority to manage securities accounts on behalf of clients, disclose this fact and describe any limitations clients may (or customarily do) place on this authority. Describe the procedures you follow before you assume this authority (e.g., execution of a power of attorney).

Long Castle accepts authority to manage Client assets on a fully or partially discretionary basis. Before accepting this authority, Long Castle requires that an investment management agreement be executed with the Client. Long Castle works closely with Clients to develop custom investment guidelines for each assignment. The investment guidelines dictate the restrictions and limitations placed on Long Castle's investment authority.

Long Castle generally does not have the ability to leverage and otherwise encumber the assets in Clients' accounts or to transfer assets among a Client's accounts.

ITEM 17: VOTING CLIENT SECURITIES

- A. If you have, or will accept, authority to vote client securities, briefly describe your voting policies and procedures, including those adopted pursuant to SEC Rule 206(4)-6. Describe whether (and, if so, how) your clients can direct your vote in a particular solicitation. Describe how you address conflicts of interest between you and your clients with respect to voting their securities. Describe how clients may obtain information from you about how you voted their securities. Explain to clients that they may obtain a copy of your proxy voting policies and procedures upon request.**

Not applicable.

- B. If you do not have authority to vote client securities, disclose this fact. Explain whether clients will receive their proxies or other solicitations directly from their custodian or a transfer agent or from you, and discuss whether (and, if so, how) clients can contact you with questions about a particular solicitation.**

Long Castle does not accept authority to vote Client securities at this time. Clients generally receive their proxies and solicitations directly from their custodians or transfer agents. Clients may contact Long Castle with questions about particular solicitations by calling Jerry Chang, Chief Compliance Officer, at 203-293-1685.

ITEM 18: FINANCIAL INFORMATION

- A. If you require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, include a balance sheet for your most recent fiscal year.**

Long Castle does not require or solicit prepayment of advisory fees six months or more in advance.

- B. If you have discretionary authority or custody of client funds or securities, or you require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to clients.**

Long Castle has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients.

- C. If you have been the subject of a bankruptcy petition at any time during the past ten years, disclose this fact, the date the petition was first brought, and the current status.**

Long Castle has not been the subject of a bankruptcy or insolvency proceeding.

ITEM 19: REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Not applicable.