

## Hampton Road Capital Management LP

One Greenwich Plaza  
Greenwich, CT 06830

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This brochure (this “Brochure”) provides information about the qualifications and business practices of Hampton Road Capital Management LP. If you have any questions about the contents of this Brochure, please contact us by e-mail at [info@hamptonroad.com](mailto:info@hamptonroad.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Registration as an investment adviser does not imply that Hampton Road Capital Management LP or any of its principals or employees possess a particular level of skill or training in the investment advisory business or any other business.

Additional information about Hampton Road Capital Management LP is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2. Material Changes**

The cover page of this Brochure has been updated to reflect Hampton Road Capital Management LP's change of address. There are no other material changes to report since November 16, 2020, the date of Hampton Road Capital Management LP's initial Brochure.

**Item 3. Table of Contents**

Item 1.	Cover Page.....	1
Item 2.	Material Changes .....	2
Item 3.	Table of Contents .....	3
Item 4.	Advisory Business .....	4
Item 5.	Fees and Compensation .....	4
Item 6.	Performance-Based Fees and Side-By-Side Management .....	5
Item 7.	Types of Clients .....	5
Item 8.	Methods of Analysis, Investment Strategies and Risk of Loss .....	6
Item 9.	Disciplinary Information .....	7
Item 10.	Other Financial Industry Activities and Affiliations .....	7
Item 11.	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	8
Item 12.	Brokerage Practices.....	8
Item 13.	Review of Accounts .....	10
Item 14.	Client Referrals and Other Compensation .....	11
Item 15.	Custody.....	11
Item 16.	Investment Discretion .....	11
Item 17.	Voting Client Securities .....	12
Item 18.	Financial Information .....	12
Item 19.	Requirements for State-Registered Advisers .....	12

**Item 4. Advisory Business**

Hampton Road Capital Management LP (“we,” “us,” or “our”) is a Delaware limited partnership that was formed in July 2020. We are principally owned and controlled by John Thaler, our Founder and Portfolio Manager (the “Principal”).

Following registration with the SEC, we intend to provide discretionary investment advice to one or more private funds (collectively, the “Funds”) and one or more separately managed accounts for institutional, non-retail investors (collectively, the “SMAs”). In the future, we may also provide investment advice to additional private funds and SMAs. References throughout this document to “clients” refer to the Funds, the SMAs and any other private funds and SMAs that we may advise in the future.

Client accounts will be managed in accordance with their own investment and trading objectives, as described in their respective offering documents, governing agreements or advisory agreements (collectively, the “Governing Documents”), as applicable. We do not expect that we will permit investors in the Funds to impose limitations on the investment activities described in the Funds’ Governing Documents. Under certain circumstances, we may contract with a client to adhere to limited risk and/or operating guidelines imposed by that client. We would negotiate such arrangements on a case-by-case basis. (See *Item 16 - Investment Discretion*.)

Hampton Road GP LLC, one of our related persons (the “Hampton Road GP”), will serve as the general partner to certain Funds.

We do not participate in wrap fee programs.

We expect to have, within 120 days of the effective date of our initial registration, client assets under management sufficient to allow us to remain eligible for registration with the SEC. We do not expect to manage any assets on a non-discretionary basis.

**Item 5. Fees and Compensation**

Our fees and compensation will be described in our clients’ Governing Documents. All of our clients are expected to be “qualified purchasers” (as defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended).

We expect to be paid management fees from the Funds quarterly in advance. Management fees are expected to be prorated in the case of a partial calendar quarter. We expect that we will deduct such management fees from each Fund. We will have the right to waive or modify the management fee payable with respect to any investor.

We also expect that the Hampton Road GP will receive performance-based allocations from the Funds, as further described in *Item 6 – Performance-Based Fees and Side-By-Side Management*.

Our compensation schedule with respect to any future client account will be contained in the Governing Documents relating to such account.

The Funds will be expected to bear their own organizational and operating expenses, including, without limitation, investment expenses.

We may also allocate a portion of certain clients' capital to money market funds or exchange-traded funds. In addition to the fees and expenses discussed above, clients will indirectly incur similar fees and expenses if we invest their capital in such funds, as these funds in turn pay similar fees and expenses to their investment managers and other service providers.

The expenses that will be charged to any future client account will be determined on a case-by-case basis.

For a more detailed discussion of brokerage and transaction costs, see *Item 12 - Brokerage Practices*.

#### **Item 6. Performance-Based Fees and Side-By-Side Management**

We expect that the Hampton Road GP will be entitled to receive a performance allocation from the Funds on an annual basis and upon withdrawals by investors. We expect that such performance allocation will be based on the net capital appreciation of the Funds' assets and will be subject to a loss-carryforward mechanism. We or our affiliates will have the right to waive or modify the performance allocation with respect to any investor.

Performance-based compensation arrangements create an incentive for us to recommend investments that may be riskier or more speculative than those that would be recommended under a different compensation arrangement.

Our compensation schedule with respect to any future client account will be contained in the Governing Documents relating to such account.

##### *Side-by-Side Management*

Performance-based compensation arrangements create an incentive for us to recommend investments that may be riskier or more speculative than those that would be recommended under a different compensation arrangement. Performance-based compensation arrangements also create an incentive for us to favor accounts with higher compensation rates over other accounts when allocating investments.

In light of the foregoing, we will adopt procedures designed and implemented to seek to ensure that all clients are treated fairly and equitably, and to prevent such potential conflict from influencing the allocation of investment opportunities among our clients.

In addition, because our client accounts' management fees and performance-based compensation are generally expected to be based on the net asset values of such accounts, we will have a conflict of interest in valuing assets held in client accounts. To mitigate this conflict, we will implement and follow documented valuation policies and expect to periodically consult with auditors and the Administrator.

#### **Item 7. Types of Clients**

Investors in the Funds are generally expected to be pension plans, endowments, other institutional investors and high net worth individuals that qualify as "accredited investors" (as defined in Rule 501 under the Securities Act of 1933, as amended) and qualified purchasers. The minimum initial investment in the Funds will be determined by us and set forth in the Funds' Governing Documents. We may waive such minimum under certain circumstances.

If we determine to require a minimum investment for any future client accounts, we will make that determination on a case-by-case basis.

#### **Item 8. Methods of Analysis, Investment Strategies and Risk of Loss**

##### *Methods of Analysis and Investment Strategies Generally*

The Funds are fundamentally oriented, long/short equity funds. The Funds are generally expected to take single name, alpha-generating long and short positions in publicly-traded equity securities, with the goal of achieving absolute returns on both sides of the book.

The investment objective of the Funds is to seek high absolute returns over a long-term horizon by investing on a long/short basis primarily in equity securities, predominantly listed securities, and related instruments in global markets. We intend to achieve this investment objective by focusing on stock picking and deep fundamental research with respect to those investments we believe the markets are mispricing in order to drive alpha.

Generally, detailed bottom-up financial modelling is conducted on an individual issuer basis. We have deep sector and geography expertise in sectors and locations in which the Funds invest, and will attempt to adapt the Funds' investment universe to take advantage of the environment and/or compelling opportunities within those sectors.

Our investment process with respect to investments includes rigorous initial due diligence on potential investments, seeking to identify value-based investment opportunities with attractive risk/reward characteristics. We perform ongoing due diligence with respect to investments through (i) company management, competitor and industry contact; and (ii) quantitative analysis to continually confirm and test an investment thesis. Once we are able to quantify the investment thesis, consideration is given to the fundamental and technical risks of the position and how these risks can be offset through exposure on the other side of the book.

Risk management is a critical component of our investment approach and it begins with a portfolio of well-researched, high conviction names. We will monitor the fundamental dynamics of each investment to ensure thesis integrity and regularly re-test the thesis. Our risk management objective is to allow stock selection and research to drive performance with the goal of allowing the Funds to ride through periods of market and factor-driven volatility. Individual positions will generally be sized relative to volatility contribution, and unintended factor exposure will be minimized by pairing and sizing.

The descriptions above regarding the specific strategies in which the Funds may engage or specific investments the Funds may make should not be understood to limit in any way their investment activities. The Funds may engage in any investment strategy and make any investment that we consider appropriate to pursue their investment objective.

We expect that future client accounts will pursue similar strategies as those set forth above.

**Investing in securities involves risk of loss that clients and investors should be prepared to bear.**

*Risk Factors*

An investment in each client account will be speculative and will involve a high degree of risk. There can be no assurance that the investment objectives of any client account will be achieved or that an investment in a client account will generate positive returns. The Funds will have substantial limitations on investors' ability to withdraw or transfer their interests or shares, and no secondary market for the Funds' interests or shares exists or is expected to develop. In pursuing our investment objective, we intend to utilize various investment techniques, including incurring leverage, trading over-the-counter derivatives and options, purchasing securities on margin, short sales, and trading on foreign exchanges. These techniques can, in certain circumstances, increase significantly the adverse consequences to which a client account may be subject. Prospective clients and investors are strongly urged to review the applicable Governing Documents carefully and consult with their own financial, legal and tax advisers before investing with us.

**Item 9. Disciplinary Information**

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

**Item 10. Other Financial Industry Activities and Affiliations***Services by our Related Person*

As noted above, the Hampton Road GP will serve as the general partner to certain Funds.

The management of multiple client accounts results in a potential conflict of interest when we and our related persons allocate time and investment opportunities among such accounts. For example, if we manage multiple client accounts in the future, our Principal and/or other related persons would be expected to have more of their personal assets invested in certain client accounts than in others. In addition, the compensation we earn from each client account is expected to differ from the compensation earned from other client accounts. In order to mitigate associated conflicts, we will adopt and follow documented procedures regarding the allocation of investment opportunities among our clients. (See *Item 6 – Performance-Based Fees and Side-By-Side Management*)

Subject to applicable law, we may make transactions among client accounts (including the Funds) in which one client account will purchase securities from, or sell or participate securities to, another client account (including client accounts in which we or our related persons may have a significant interest). In order to mitigate any associated conflicts of interests, we would effect such transactions only when we believe that such transactions are in the best interests of the applicable clients. In the event that a client account purchases securities from, or sells securities to, another client account, such transactions will be made through third-party broker-dealers or other institutions and will generally be made for cash consideration at the closing price of the particular security on such day. No brokerage commission or transfer fee will be paid to us or our related persons in connection with any such transaction.

**Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading***Code of Ethics Overview*

We will adopt a Code of Ethics, which will be designed to help ensure that we conduct our business in accordance with all applicable laws and regulations and in an ethical and professional manner. In addition, our Code of Ethics will set forth standards of conduct for our employees to ensure that they conduct their business on our behalf in a manner that enables us to fulfill our fiduciary duty to our clients.

Among other things, our Code of Ethics will: (i) govern personal trading by our employees, (ii) contain our policies with respect to gifts and entertainment, (iii) contain our policies regarding certain outside activities of our employees, and (iv) set forth the manner in which employees may report violations of law or our policies and procedures. We will provide a copy of our Code of Ethics to any client or prospective client upon request.

*Personal Trading Policy*

Employees will generally be required to obtain the prior written consent of our Chief Compliance Officer (the “CCO”) in order to engage in personal transactions, except for transactions in exchange-traded funds. Additionally, employees will be required to provide our CCO with periodic reporting relating to their trading activity and personal accounts. Our policies relating to personal trading will also generally apply to an employee’s spouse or minor child, or an immediate family member of an employee living in the same household as such employee.

*Participation or Interest in Client Transactions*

We will make available to qualified prospective investors the opportunity to invest in the Funds. We expect that our Principal will have significant personal investments in the Funds. In addition, we expect the Hampton Road GP, our affiliate, to receive performance-based allocations from the Funds.

We will not engage in any principal transactions unless we have determined that the transaction is in the relevant clients’ best interests and have obtained client consent in accordance with our written procedures and applicable law.

**Item 12. Brokerage Practices***Selection of Brokers*

We will have an obligation to seek to obtain “best execution” for our clients with respect to their trading activity. While not defined by statute or regulation, best execution generally means the execution of client trades at the best net price considering all relevant circumstances. We will seek best execution with respect to all types of client transactions, taking into account various factors. Such factors are expected to include, among others: quality of execution (e.g., accurate and timely execution, clearance and error/dispute resolution); receipt of brokerage or research services; reputation, financial strength and stability; block trading and block positioning capabilities; willingness to execute difficult transactions; willingness and ability to commit capital; access to underwritten offerings and secondary markets; ongoing reliability; overall costs of a trade (i.e., net price paid or received) including commissions, mark-ups, mark-downs or spreads in the context of our knowledge of negotiated commission rates currently available and other current transaction costs; nature of the security and the available market makers;



desired timing of the transaction and size of trade; confidentiality of trading activity; and/or market intelligence regarding trading activity. In selecting brokers to execute transactions (or series of transactions) and determining the reasonableness of the brokers' compensation, we need not solicit competitive bids and do not have an obligation to seek the lowest available commission cost.

Brokers sometimes suggest a level of business they would like to receive in return for the various services they provide. We will not commit to provide any level of brokerage business to any broker, and actual brokerage business received by any broker may be less than the suggested allocations but can (and often does) exceed the suggestions, because total brokerage is allocated based on all the considerations described above.

We expect that we will periodically evaluate, among other things, the execution that we are receiving from brokers. In conducting our analysis, we may consider the factors listed above, among others, and will review gifts and entertainment received, and any known conflicts of interests (e.g., directing commissions to a broker that employs a family member of our one of employees).

#### *Outsourced Trading*

We expect to delegate the authority to select brokers for certain client transactions to a third party. As a result, client expenses may be higher than if we traded directly with brokers only.

#### *Research and Other Soft Dollar Benefits*

We expect to enter into soft dollar arrangements with certain brokers. Soft dollar arrangements arise when an investment adviser obtains products and services, other than securities execution, from a broker in return for directing client securities transactions to the broker. Soft dollar arrangements create a potential incentive for us to select a broker based on our interest in receiving the research or other products or services offered by such broker, rather than on our clients' interests in receiving most favorable execution. Further, soft dollar arrangements pose a possible conflict of interest for us in that such arrangements potentially allow us to pay with client commissions expenses that would otherwise be borne by us. However, we only expect to use client commissions to pay for expenses that would otherwise be borne by our clients (and not by us).

When engaging in soft dollar transactions, we will comply with the safe harbor requirements of Section 28(e) of the Securities Exchange Act of 1934, as amended. Under this provision, in exercising our discretionary authority to select or arrange for the selection of brokers for execution of transactions for our clients, and, subject to our duty to obtain best execution, we may consider the value of research and brokerage products and services provided by such brokers. Accordingly, if we determine in good faith that the amount of commissions charged by a broker is reasonable in relation to the value of the brokerage and products or services provided by such broker, a client may pay commissions to such broker in an amount greater than the amount another broker might charge.

Research provided by such brokers may be used to service all clients and not exclusively in connection with the management of the clients that generated the particular soft dollar credits.

Where a product or service obtained with client commission dollars provides both research and non-research assistance to us, we will make a reasonable allocation of the cost which may be paid for with client commission dollars.

We also expect to execute transactions on behalf of our clients with brokers that provide us with access to bundled services, including access to proprietary research reports (such as standard investment research and credit reports) and invitations to attend conferences. To the best of our knowledge, these services are generally made available to all institutional investors doing business with such brokers. These bundled services are made available to us on an unsolicited basis and without regard to the rates of commissions charged or paid by clients or the volume of business that we direct to such brokers.

#### *Brokerage for Client Referrals*

Subject to applicable law, we may direct client brokerage business to brokers that refer prospective investors to us. Because such referrals, if any, are likely to benefit us but may not provide a benefit to our clients, we would have a conflict of interest with our clients when allocating brokerage business to such brokers. To mitigate this potential conflict, we will not allocate brokerage business to a referring broker unless we determine that such allocation is consistent with our best execution duties.

#### *Trade Errors*

We may on occasion experience errors with respect to trades made on behalf of client accounts. We will reimburse each client account for losses resulting from trade errors in accordance with the terms of the exculpation provision in such client's Governing Documents.

#### *Aggregation of Orders*

Aggregation, or "bunching," describes a procedure whereby an investment adviser combines the orders of two or more clients into a single order for the purpose of obtaining better prices and lower execution costs. Aggregation opportunities for us generally arise when more than one client account is capable of purchasing or selling a particular security.

To the extent that a security is purchased or sold for more than one client account, we will generally aggregate orders for such security unless aggregation is not consistent with our duty to seek best execution or the terms of the investment guidelines and restrictions applicable to client accounts. Each client that participates in an aggregated order will participate at a price and allocation deemed to be equitable.

### **Item 13. Review of Accounts**

#### *Review of Accounts*

Our clients' portfolios are expected to be reviewed, and their performance analyzed, by our Principal on a regular basis. In addition, our Principal and our CCO are expected to regularly review client portfolios to confirm that the securities held by them remain consistent with their investment strategies, objectives and guidelines.

#### *Reporting*

In addition to the reports below, our clients and investors may be provided with certain information about us and the accounts that we will manage in response to questions and requests, including in connection with due diligence meetings. This information may not be distributed to other clients, investors or prospective investors. Each client and investor is responsible for asking such questions as it believes are

necessary in order to make its own investment decisions and must decide for itself whether the limited information provided by us is sufficient for its needs.

### The Funds

We will furnish investors in the Funds with periodic written unaudited performance reports as set forth in their relevant Governing Documents. In addition, on an annual basis, we will provide investors with a copy of the relevant Fund's annual audited financial statements and, if applicable, a statement of taxable income (Schedule K-1).

Pursuant to "side letter" or other agreements, we may provide certain investors with access to more frequent and/or more detailed information regarding the Funds' securities positions, performance, finances, and management and/or other information about the Funds or us (including notifications of redemptions from a Fund by us and/or our personnel), possibly enabling such investors to better assess the prospects and performance of the Funds.

### Future Client Accounts

We will provide future client account owners and investors with periodic reports, as set forth in the relevant account's Governing Documents. To the extent that we manage an SMA in the future, the owner of such SMA would receive account statements from the SMA's custodian on such periodic basis as is agreed to between such owner and custodian. In addition, the owner of an SMA would have full, real-time transparency as to all transactions and holdings in such SMA, and will be better able to assess the future prospects of a portfolio that may be substantially similar to that of the Funds.

## **Item 14. Client Referrals and Other Compensation**

Other than the products and services that we receive from broker-dealers (described above in *Item 12*), we do not expect that we will receive any economic benefits from third parties in connection with the provision of investment advice to the Funds.

We do not currently compensate any third-party marketers for introductions to potential investors or clients.

## **Item 15. Custody**

For purposes of Rule 206(4)-2 under the Advisers Act (the "Custody Rule"), we will be deemed to have custody over the Funds' assets. In accordance with the Custody Rule, a qualified custodian is not required to deliver quarterly account statements to the Funds or their respective investors as long as: (i) the Funds are audited by an independent public accountant that is registered with, and subject to inspection by, the Public Company Accounting Oversight Board, (ii) the Funds' audited financial statements are prepared in accordance with U.S. generally accepted accounting principles, and (iii) we deliver such annual audited financial statements to investors within 120 days after the end of each Fund's fiscal year.

## **Item 16. Investment Discretion**

We will have discretionary authority to manage securities and other investments on behalf of our client accounts. The investors in the Funds generally will not be able to place any limits on our authority beyond the limitations set forth in their respective Governing Documents. Under certain circumstances, we may

contract with a client to adhere to limited risk and/or operating guidelines imposed by the client. We would negotiate such arrangements on a case-by-case basis.

**Item 17. Voting Client Securities**

We will generally have voting discretion over client securities. Clients will generally not be able to direct their votes in a particular situation. We will adopt proxy voting policies and procedures, which are summarized below.

In the absence of specific voting guidelines from the client or conflicts of interest, we will vote all proxies in the best interests of each client, which may result in different voting results for proxies for the same issuer. In addition, we may determine to abstain from voting a proxy if we believe that such action is in the best interests of a particular client.

We intend to retain an independent third-party proxy voting service (the “Proxy Service”) to: (i) monitor proxy votes pertaining to portfolio securities, (ii) provide research and recommendations on such votes, (iii) cast such votes in accordance with our instructions, and (iv) maintain records with respect to such votes. We will generally vote according to the Proxy Service’s recommendations unless we determine that it is in the best interest of a client to depart from such recommendations. In assessing a proxy, we may take into account the following factors, among others: (i) the impact on the value of the relevant securities, (ii) the anticipated costs and benefits associated with the proposal, (iii) the effect on liquidity, and (iv) customary industry and business practices. If we deem that the issue being voted upon is not material for us and our clients, we will not be obligated to vote on such matter.

If we determine that there is, or we perceive that there is, a conflict of interest when voting proxies, we will vote in accordance with the recommendations of the Proxy Service.

Upon the request by a client, we will disclose to such client how we voted proxies for securities owned by such client. We will also provide a copy of our proxy voting policies and procedures to clients upon request.

**Item 18. Financial Information**

We are not required to include our balance sheet for our most recent fiscal year with this Brochure.

**Item 19. Requirements for State-Registered Advisers**

We are not a state-registered adviser.