

## VesperMare Capital LP

17 State Street  
Suite 3320  
New York, NY 10004

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This brochure (this “Brochure”) provides information about the qualifications and business practices of VesperMare Capital LP. If you have any questions about the contents of this Brochure, please contact us by e-mail at [compliance@vespermare.com](mailto:compliance@vespermare.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 VesperMare Capital 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 VesperMare Capital LP is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2. Material Changes**

There are no material changes to report as this is VesperMare Capital LP's initial Brochure.

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**Item 4. Advisory Business**

VesperMare Capital LP (“we,” “us,” or “our”) is a Delaware limited partnership that was formed in June 2021. We are principally owned and controlled by Parisa Golestaneh, our Founder and Chief Investment Officer (the “Principal”).

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

The Funds will be managed in accordance with their own investment and trading objectives, as described in their respective offering documents and governing agreements (together, the “Governing Documents”). 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.*)

VesperMare Fund GP LLC (“VesperMare Fund GP”) will serve as the general partner to certain Funds.

We do not participate in wrap fee programs.

We do not have regulatory assets under management, but 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 Funds’ 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. We anticipate that we will deduct such management fees from each Fund. Once paid, the management fees will be non-refundable. We expect that we may waive or modify the management fee payable with respect to any investor.

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

In general, the Funds will bear all of their operating expenses, such expenses will include, without limitation: (i) organizational and offering expenses; (ii) expenses associated with all investments and transactions considered, evaluated and/or consummated by the Funds, including, without limitation, those expenses incurred before the initial closing of the Funds, including, without limitation, expenses associated with sourcing, negotiating, investigating, researching, financing and structuring of investments and potential investments, whether or not consummated, including, without limitation, third-party research, data, analytics, modeling, risk, structuring, pricing, execution and other third-party information systems, including, without limitation, installation and maintenance, software and service fees (including, without limitation, the expenses with respect to data feeds, subscriptions, expert networks, political

intelligence providers and reports); (iii) research-related computer hardware and software expenses, including, without limitation, Bloomberg terminals and subscriptions; (iv) the Funds' *pro rata* share of our portfolio management system and any other software used for accounting and/or monitoring of the portfolio, including, without limitation, subscriptions relating to, among other things, trading and order management systems and services; (v) expenses associated with holding, financing, monitoring, hedging, maintaining and disposing of all investments of the Funds and all transaction and other costs associated therewith; (vi) travel and related expenses associated with investments and potential investments; (vii) professional fees associated with investments and potential investments, including, without limitation, consulting, due diligence, accounting, valuation, financial, legal and other advisory fees and expenses; (viii) transaction fees, brokerage commissions, custodial fees, clearing and settlement charges and similar fees and expenses associated with the acquisition, disposition and settling of investments and potential investments; (ix) expenses associated with legal and regulatory filings of the Funds in the United States or in any other jurisdiction (including, without limitation, pursuant to Sections 13 and 16 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as well as the Funds' *pro rata* portion of the expenses associated with preparation and filing of our 13F, Form 13H and Form PF, if applicable, and any other similar filing in any other U.S. or non-U.S. jurisdiction; (x) administrative, custodial, appraisal, valuation, legal, regulatory, compliance, consulting, advisory and similar fees and expenses associated with the Funds' operations, investments and transactions, including, without limitation, fees and expenses of the Funds' administrator (the "Administrator") fees of any service provider engaged to verify the work of the Administrator or regulatory matters with respect to the Funds; (xi) expenses incurred in connection with responding to requests or inquiries from any U.S. federal, state, local or non-U.S. governmental entity or authority, regulatory body or self-regulatory organization; (xii) broken-deal, failed transaction, break-up and similar fees, costs and expenses (if any); (xiii) costs and expenses of leverage or any other borrowings of the Funds, including, without limitation, interest charges and fees; (xiv) expenses incurred in the collection of monies owed to the Funds, as applicable; (xv) auditing and accounting expenses of the Funds, including, without limitation, expenses associated with the preparation of financial statements, tax returns and Schedules K-1 and the fees and expenses of the auditor; (xvi) any entity level taxes, fees or other governmental charges on the Funds, including, without limitation, any withholding taxes not due to the status or noncompliance of a particular investor; (xvii) costs and expenses associated with investor communications and reports and the delivery thereof to investors; (xviii) the costs of service providers or software to measure or monitor risk metrics, to aggregate positions and/or to provide reporting with respect to risk metrics and/or positions; (xix) costs and expenses associated with meetings of the investors; (xx) insurance expenses, including, without limitation, general partner liability insurance and other policies, if any, as well as the Funds' share of expenses with respect to directors' and officers' liability insurance and errors and omissions insurance; (xxi) costs and expenses (including, without limitation, entity-level taxes, fees or other governmental charges) associated with the formation, organization and operation of any subsidiary, special purpose vehicle, alternative investment vehicle, holding company or similar entity formed with respect to investments, credit facilities or other transactions entered into for the benefit of the Funds; (xxii) wind-up, liquidation, termination and dissolution expenses; (xxiii) costs, fees and expenses related to registration, qualification and/or exemption under any applicable U.S. federal, state, local or non-U.S. laws, rules or regulations, including, without limitation, blue sky fees, Form D, Form 8.3, filings with the National Futures Association and notices and other securities and/or investment-related filing expenses; (xxiv) costs related to any transfers of interests/shares, unless otherwise charged to or borne by the applicable transferor and/or transferee; (xxv) expenses incurred in connection with the preparation of any amendment to the Funds' partnership agreement and the private placement memoranda, including the preparation or amendment of any side letter; (xxvi) expenses incurred in connection with pursuing, defending or participating in any litigation, arbitration, mediation or similar proceeding by the Funds; (xxvii) any extraordinary expenses (including, without limitation, all

litigation-related and indemnification and contribution expenses, including, without limitation, the amount of any judgment or settlement paid in connection therewith); (xxviii) the above-described management fee; (xxix) fees and expenses of the Funds' directors as applicable; (xxx) advisory committee and director fees and expenses, including, without limitation, the fees of the independent members of the advisory committee and directors; and (xxxi) all other fees, costs, charges and expenses associated with the business, affairs and/or operations of the Funds. We expect such fees and expenses for certain clients to be subject to a cap.

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.

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 VesperMare Fund 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.

The Funds are our only anticipated clients and we expect that they will operate through a master-feeder structure. To the extent that we advise additional client accounts in the future, performance-based compensation arrangements could also create an incentive for us to favor accounts with higher compensation rates over other accounts when allocating investments. Accordingly, if we manage additional client accounts in the future, we will adopt and follow procedures designed and implemented to ensure that all clients are treated fairly and equitably.

In addition, because the Funds' management fees and performance-based compensation are generally expected to be based on the Funds' net asset values, we will have a conflict of interest in valuing the Funds' assets. To mitigate this conflict, the Administrator will value the positions and calculate the net asset values of the Funds.

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

Investors in the Funds are generally expected to be institutional investors, high networth individuals, and endowments 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.

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

The investment objective of the Funds will be to seek to achieve an absolute-return mindset which seeks to pair a rigorous approach to sovereign macroeconomic and credit analysis with a deep understanding of global macro dynamics. This is intended to help us to capitalize on mispriced credit or macroeconomic fundamentals, while mitigating risk, by taking into account the implications of trends in developed markets with regards to emerging markets.

The Funds will also seek a highly targeted country selection as the foundation of the investment process: one that zeros in on an issuer's fundamental ability and willingness to service debt, and the ability to withstand possible global macro headwinds that may impact asset prices over a multi-month timeframe. This is intended to allow capital to be deployed in the best upside value opportunities in a concentrated yet diverse set of countries.

The cornerstone of our bottom-up research and investment process is our Sovereign Scoring Framework (the "Framework"). The Framework uses both model-driven and discretionary inputs to derive a final 'conviction' score. The goal of the Framework is to arrive at a comprehensive and robust understanding of a country's credit, economic, and financial market prospects. The backbone of the Framework consists of four building blocks which are used to evaluate the Economic, Fiscal, External Account, and ESG Soundness (Environmental, Social and Governance issues) of countries over time.

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

*Risk Factors*

An investment in each Fund will be speculative and will involve a high degree of risk. There can be no assurance that the investment objectives of any Fund will be achieved or that an investment in a Fund 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 managing the Funds, 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 Fund may be subject. All of these risks, and other important risks, will be described in detail in each Fund's offering memorandum. Prospective investors are strongly urged to review the applicable Governing Documents carefully and consult with their own financial, legal and tax advisers before investing in a Fund.

**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 VesperMare Fund GP will serve as the general partner to certain Funds. We anticipate a seed investor will be entitled to share in a percentage of the revenues generated by us and the VesperMare Fund GP. The seed investor will essentially have no say on our day-to-day operational, investment or trading decisions.

**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, (iv) set forth our policies and procedures relating to insider trading, and (v) 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 are generally restricted from engaging in any transactions in Emerging Market Sovereign Debt securities or any other securities in the Funds investible universe. Employees will be required to obtain pre-approval from our Chief Compliance Officer (the “CCO”) before engaging in personal transactions involving private investments and initial public offerings. 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 VesperMare Fund 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 the Funds 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 Fund transactions, taking into account various factors. Such factors are expected to include, among others: the ability to achieve prompt and reliable executions; the ability to obtain access to a security; the financial stability and reputation of the particular broker-dealer; the quality, comprehensiveness and frequency of available research and related services considered to be of value to the Funds; and the competitiveness of commission rates in comparison with other Broker-Dealers. 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 one of our employees).

*Research and Other Soft Dollar Benefits*

We do not currently have any formal soft dollar arrangements, but we may enter into such arrangements in the future. Nonetheless, we 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). To the best of our knowledge, these services are generally made available to all institutional investors doing business with such broker. These bundled services are made available to us on an unsolicited basis and without regard to the rates of commissions charged or paid by client accounts or the volume of business that we direct to such brokers. If we engage in soft dollar transactions in the future, we intend to comply with the safe harbor provided by Section 28(e) of the Securities Exchange Act of 1934, as amended.

*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*

We will not aggregate trades while the Funds are our only clients, since they will operate through a single master-feeder structure.

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

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

*Reporting*

We will furnish investors in the Funds with periodic written unaudited performance reports as set forth in their 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 (including our seed investor) 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.

In addition, investors may be provided with certain information about us and the Funds in response to questions and requests. This information may not be distributed to other investors or prospective investors. Each 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.

**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 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 the Funds. 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, but do not anticipate investing in securities that issue proxies. Nevertheless, if we invest in securities that issue proxies in the future, we will adopt and follow procedures designed and implemented to ensure that proxies are voted in the best interest of the Funds.

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.