

DISCLOSURE BROCHURE

(FORM ADV, PART II)

DYNAMIS ADVISORS, LLC

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This brochure provides information about the qualifications and business practices of Dynamis Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at (804) 643-1100 or email George J. McVey, Jr., at [gmcvey@imva.net](mailto:gmcvey@imva.net). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Dynamis Advisors, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

April 2012

This brochure is the fifth brochure offered in this format. The most recent was filed in April 2012. Dynamis Energy Fund, LP was officially closed on March 1, 2012. John Bocock has resigned as Chief Compliance Officer of Dynamis Advisors, LLC. His compliance duties have been assumed by George J. McVey, Jr. Gary Clark, one of the portfolio managers of the Dynamis Energy Fund, LP and the Dynamis Venture Partners, LP has left Dynamis Advisors, LLC to pursue other opportunities.

April 2012

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## **Advisory Business**

Dynamis Advisors, LLC (“Dynamis”) is a limited liability company registered in the State of Delaware on May 23, 1997.

The General Partnership of Dynamis Advisors, LLC is comprised of Mr. John H. Bocock, who serves as Portfolio Manager to Dynamis Venture Partners, LP, Mr. Alexander H. Bocock, also a Portfolio Manager to the Fund, and the Frederic S. Bocock Marital Trust One. This Marital Trust represents the assets of Mr. Frederic S. Bocock, who was one of the original Members of the General Partnership. The beneficiaries of this trust are Mr. Frederic S. Bocock’s children, including Messrs. John and Alexander Bocock.

Dynamis Advisors, LLC closed the Dynamis Energy Fund, LP on March 1, 2012. Dynamis Advisors, LLC continues to manage Dynamis Venture Partners, LP, a 3(c)(1) fund, invested in a single private energy company, opened in 06/30/2007; this fund is closed to new investors.

The management of the aforementioned limited partnership is the only type of investment advisory service offered by Dynamis Advisors, LLC. Due to the nature of the Fund as a pooled investment vehicle, our advisory services are not tailored specifically to the individual needs of the investor who invests in our Fund, nor are individual investors permitted to impose investment restrictions in certain securities or types of securities.

Dynamis Advisors, LLC does not participate in any wrap fee programs.

As of March 31, 2012, there were no assets in Dynamis Energy Fund, LP.

As of December 31, 2011, Dynamis Venture Partners, LP, had \$16,864,711\* under management. The value of the fund as of March 31, 2012, is not yet available.

All assets in the Fund are considered to be managed on a discretionary basis.

\*Estimated by Dynamis Advisors, LLC.

## **Fees and Compensation**

Dynamis Advisors, LLC (“Dynamis”) is compensated for investment advisory services exclusively through fees generated by limited partners invested in Dynamis Venture Partners, LP (“the Fund”). The terms of such compensation can be found in the Private Offering Memorandum sent to purchasers of the Fund who were known to be qualified.

Qualified investors in the Fund are invoiced annually by the Fund’s Administrator for their respective share of management fees and estimated Fund expenses. Fund expenses may include fees and costs associated with custody, legal, administration, accounting and tax, audit, and other expenses as are described in the Fund’s Offering Memorandum. The profit reallocation fee, if applicable, will be charged according to the waterfall provision outlined in the Fund’s Offering Memorandum. The management fee and profit reallocation may be changed or waived at the discretion of the General Partner for specific investors.

With the General Partner’s notification to its limited partners on its decision to close the Dynamis Energy Fund, LP, they have also notified its limited partners that no management fees will be charged to manage this Fund in 2012 and that the General Partner has agreed to cover that Fund’s final audit costs.

The firm and its employees do not accept any compensation for the sales of this Fund.

## **Performance Based Fees and Side-by-Side Management**

Subject to the Fund's success and the provisions of its distribution policy, as are described in the Fund's Offering Memorandum, there is the potential for the General Partner to receive a 20%-of-profits reallocation. This profits incentive reallocation to the General Partner may create an incentive for the General Partner to take greater risk than if this incentive did not exist. It should be noted that the 20% incentive reallocation is only for the profits as of the end of an appropriate measurement period; the General Partner does not share in the Fund's losses (except to the extent of its own investments in the Fund).

## **Types of Clients**

Dynamis Advisors, LLC's client is the private investment partnership it sponsors. The Dynamis Venture Partners, LP Fund is closed to new investors. The stated minimum investment was \$250,000, which was subject to waiver at the discretion of the General Partner.

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## **Methods of Analysis, Investment Strategies and Risk of Loss**

Dynamis Venture Partners, LP is invested in the common shares of Red Leaf Resources, Inc. The Fund is fully invested (with the exception of a small amount of cash used to meet Fund expenses) and is highly unlikely to raise additional assets or make additional investments. Investment in the Fund involves a high degree of risk and is suitable only for persons who are able to assume the risk of losing their entire investment. The risks of investing in this Fund are described in the offering documents signed by the Limited Partners at the time of initial investment.

### Dependence on General Partner and its Principals

The success of the Fund depends primarily on the General Partner. The General Partner is permitted to give notice to the Fund, pursuant to the Partnership Agreement, of its intention to withdraw as General Partner of the Fund. In such a case, the Fund will terminate unless an election to continue the Partnership is made pursuant to the provisions of the Partnership Agreements. In addition, the General Partner depends primarily on the services of Messrs. John H. Bocock and Alexander H. Bocock. If any of the foregoing individuals is unable to continue to act as principal of the General Partner it is possible that the Fund would be materially and adversely affected. In addition, if the General Partner lost the services of Messrs. John H. Bocock and Alexander H. Bocock, there can be no assurance that the General Partner would be able to recruit satisfactory replacements. The Fund does not maintain “key man” insurance on the life of any of the aforementioned individuals.

### Substantial Expenses

The Fund’s investors are required, annually, to pay their respective shares of various administrative expenses (e.g., audit fees, tax preparation, custody, etc.), and management fees regardless of whether the investment is profitable. These costs could be substantial.

### Incentive Re-allocation

The 20%-of-profits incentive reallocation to the General Partner may create an incentive for the General Partner to take greater risks with the Fund than would be the case if there were no such incentive reallocation. Also, because the incentive reallocation is only of profits, the General Partner does not share in the Fund’s losses (except to the extent of its own investment in the Fund). It is not the intention of the General Partner to take into account, when making investment decisions, the expected impact of an investment on the General Partner’s incentive reallocation.

### Attorneys and Accountants

All attorneys and accountants involved with the Fund are representatives of the Fund (and the General Partner, in the case of the attorneys) and not the Limited Partners in their individual capacities. The General Partner suggests that each Limited Partner obtain its own opinion of counsel for all Fund issues, if any.



For a more comprehensive inventory of investment risks involved in investing in Dynamis Venture Partners, LP please refer to the Offering Documents that were available to qualified investors (the Fund is closed to new investment).

## **Disciplinary Information**

Dynamis Advisors, LLC and its employees have not been involved in any legal or disciplinary events in the past 10 years that would be material to an investor's evaluation of the company or its personnel.

## **Other Financial Industry Activities and Affiliations**

Neither Dynamis Advisors, LLC (“Dynamis”) nor any of the firm’s personnel are registered or have a pending registration as a broker-dealer or registered representative of a broker-dealer, futures commission merchant, commodity pool operator, commodity trading advisory, or as an associated person with any of the aforementioned entities.

Some Members and employees of Dynamis Advisors, LLC are Members/owners or employees of Investment Management of Virginia, LLC (“IMVA”), a SEC registered investment advisor.

Mr. John H. Bocock holds a significant ownership position in Investment Management of Virginia, LLC, and is a portfolio manager to the following Portfolios: Small Capitalization, Energy, Select Equity Income, and Opportunity. He also serves as the Chairman of IMVA.

Mr. Alexander H. Bocock is the lead portfolio manager to the Energy Portfolios at IMVA.

Mr. George J. McVey, Jr. is portfolio manager to the Large Capitalization Core Equity and the Large Capitalization Balanced Portfolios in addition to being the Chief Financial Officer and Chief Compliance Officer of IMVA. Mr. McVey holds an ownership interest in Investment Management of Virginia, LLC.

The two firms have a close relationship in that they share office space, various employees including portfolio managers, some operational functions, expenses and research.

## **Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

Dynamis Advisors, LLC strives to conduct its business in accordance with the fundamental principles of integrity, honesty, and trust. The Dynamis Advisors, LLC's Code of Ethics reflects those principles and applies to all employees at Dynamis Advisors, LLC. Mr. George J. McVey, Jr., is the Chief Compliance Officer for Dynamis Advisors, LLC. The Code of Ethics contains employee limitations and restrictions on their personal security trading activities. The Code of Ethics also contains specific required reporting requirements.

A copy of Dynamis Advisors, LLC's Code of Ethics will be provided upon request to any client or prospective client. Requests should be made to Mr. George J. McVey, Jr., Chief Compliance Officer, at [gmcvey@imva.net](mailto:gmcvey@imva.net) or (804) 643-1100.

Possible conflicts of interest include:

- Investment Management of Virginia, LLC accounts could possibly be buyers of an IPO from investments made by Dynamis Venture Partners, LP ("DVP") or otherwise hold shares of a public company that is also owned, in part, by Dynamis Venture Partners, LP. DVP may have registration rights on their stock.
- Mr. Alexander H. Bocock is a member of the Board of Directors of Red Leaf Resources, the only investment held by DVP. Mr. Alexander Bocock, along with other Members and employees of Dynamis Advisors, LLC, are also Members of Gunsight Partners, LLC, Gunsight Partners II, LLC and Gunsight Partners III, LLC. The Gunsight partnerships were early investors in Red Leaf Resources and own common stock, as does Dynamis Venture Partners, LP. A conflict may arise in that the Gunsight partnerships have different economic interests and voting rights than the DVP investors.

## Brokerage Practices

As of March 1, 2012, Dynamis Advisors, LLC does not invest in or trade public securities for a fund or limited partners.

Historically, Dynamis Advisors, LLC had selected broker-dealers to buy and sell securities for the Dynamis Funds based on the overall services provided. The following factors were considered:

- Execution capabilities required for the transaction(s)
- Ability and willingness of the broker-dealer to facilitate the Fund's transactions promptly and at a reasonable cost
- Importance to the Fund of speed, efficiency or confidentiality
- Broker-dealer's apparent familiarity with sources from or to whom a particular security might be purchased or sold.

In the past year, Dynamis recognized the option to pay broker-dealers, who supply it with research, higher commissions than those obtainable from other broker-dealers. Consequently, the Funds may not be receiving the lowest commission price in certain transactions. The actual commission rate charged by the broker-dealer is important but is not the overriding factor when choosing the broker-dealer to effect transactions. The other efficiencies are important to the "cost" of effecting transactions. Generally, industry norms and levels of service determine brokerage commissions provided. Commissions paid in excess of what another broker might have charged for executing the same transactions would be in recognition of the value of the trading expertise and/or research services provided by that broker. Research may include research reports on companies, industries and securities; economic and financial data, financial publications; computer databases; and research-oriented computer software and services.

In the past fiscal year, Dynamis had soft dollar arrangements with Goldman Sachs. Goldman Sachs provided Dynamis with access to Bloomberg services, electronic trading systems, Ross Smith Energy Group research, Paul Ting China research, 13D Research, and BCA Research.

Bloomberg services provided Dynamis portfolio managers with securities analysis tools and information. RediPlus, an electronic trading service and exchange market data, is a proprietary system created and maintained by Goldman Sachs, formerly the Prime Broker of the Dynamis Energy Fund, LP. Ross Smith Energy Group provided research materials specific to the energy industry. Paul Ting China Research provides research materials specific to the energy industry, and specifically in China. 13D Research provided a weekly newsletter and energy specific reports. BCA Research provided independent macroeconomic and company specific research reports.

The research paid for by these arrangements may also have benefited clients of Investment Management of Virginia, LLC.

There may have been an incentive for Dynamis portfolio managers or traders to choose a particular broker-dealer for a transaction based on the receipt of this research.

With the March 1, 2012, closing of the Dynamis Energy Fund, LP, all soft-dollar arrangements have been terminated. Dynamis Venture Partners, LP invests solely in a single private company.

## **Review of Accounts**

Members of the General Partner and portfolio managers generally review the Fund as needed. On a quarterly basis, each Limited Partner in Dynamis Venture Partners, LP is sent a written report containing the estimated value of its Capital Account, Net Profits or Losses, and information regarding the business and activities of the Fund during the previous quarter.

On an annual basis, each Limited Partner receives a written report containing the estimated value of its Capital Account, along with the Annual Financial Reports of the Fund upon completion of the Fund's annual audit.

On an annual calendar year basis, each Limited Partner will receive a written report containing information necessary to prepare the Limited Partner's federal income tax return, which will include a statement showing the Limited Partner's share of income, gains and losses, and any distributions made to the Partner for the calendar year previously ended.

## **Client Referrals and Other Compensation**

Dynamis Advisors, LLC (DA) has entered into agreements with unaffiliated third party solicitors in accordance with the terms outlined in the Advisors Act. In such agreements, the solicitor may refer a qualified investor to DA in exchange for cash compensation based on the advisory fees (management and profits reallocation) received from the investor paid to Dynamis Advisors, LLC. Currently, DA has signed solicitation agreements with the following: Scott & Stringfellow, Inc., Davenport & Company, LLC, and Seditic & Co., Ltd.



## **Custody**

Custody has been defined as holding, directly or indirectly, client funds or securities or having the ability to obtain possession of them. Dynamis Advisors, LLC is considered to have custody of client funds because the Members of the General Partner of the Limited Partnership are the controlling members of the investment advisory firm. The following measures are followed to comply with the provisions of the Rule 206(4)-2:

- DA must have the Fund's assets maintained by a "qualified custodian". Qualified custodians are defined to be: most regulated banks, savings associations, registered broker dealers, registered futures commission merchants, and foreign financial institutions.
- The independent public auditors for the Fund will perform an audit at least annually, and DA will be responsible for ensuring that audited financial statements are distributed to all investors within 120 days of the Funds' fiscal year end.
- Quarterly statements are sent to all Limited Partners prepared by an outside Account Administrator.

## **Investment Discretion**

Due to the nature of the Fund as a pooled investment vehicle, Limited Partners do not have timely or complete transparency into the transactions and positions of the Fund. The Offering Documents outline the investment strategy that the General Partner intends to pursue for the Fund.

## **Voting Client Securities**

Dynamis Advisors, LLC, as advisor to Dynamis Venture Partners, LP, has authority to vote security issues on behalf its Limited Partners. Dynamis Advisors, LLC exercises its voting responsibilities as fiduciary, with the goal of maximizing the value of the Limited Partners' investment. Limited Partners have the ability to voice an opinion on the voting of a particular solicitation but the final decision rests with the General Partner. Should there be any conflict of interest, the General Partner will endeavor to vote in the way that will benefit the most Limited Partners of the Fund.

In voting individual proxy proposals, substantial weight is given to the recommendation of management since quality and depth of management is a primary factor when deciding whether or not to invest in a company.

Although Dynamis Energy Fund, LP is closed, Limited Partners may request a copy of Dynamis' Proxy Voting Policy and Procedures with a written request to the General Partner of the Fund or an email to [gmcvey@imva.net](mailto:gmcvey@imva.net) or (804) 643-1100.

## **Financial Information**

Dynamis Advisors, LLC has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage its Funds for the investors.