



RDK Strategies, LLC  
100 West Road, Suite 300  
Towson, MD 21204  
(410) 970-6111

[www.rdkstrategies.com](http://www.rdkstrategies.com)

March 30, 2012

#### **Item 1 – Cover Page**

Form ADV, Part 2: our “Disclosure Brochure” or “Brochure” as required by the Investment Advisors Act of 1940 is a very important document between Clients (clients, you, your) and RDK Strategies, LLC (RDK, us, we, our).

This Brochure provides information about the qualifications and business practices of RDK Strategies, LLC. If you have any questions about the contents of this Brochure, please contact us at (410) 970-6111 and/or [info@rdkstrategies.com](mailto:info@rdkstrategies.com). 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.

RDK Strategies, LLC is a registered Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about RDK Strategies, LLC also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching for our firm name or by our firm CRD number 143580.

## **Item 2 – Material Changes**

Material Change discloses specific changes made to this Brochure from previous Brochures that we consider material. This section provides clients with a summary of such changes.

### **Previous Updates**

Our last previous update to this Brochure was March 28, 2011.

### **Assets Under Management**

As of March 30, 2011 our Assets Under Management, as described in the Assets Under Management section below and as determined by SEC guidelines, were \$28,000,000.

### **OTHER BUSINESS ACTIVITIES AND AFFILIATIONS**

RDK has developed portfolio analytical tools for the investment management industry and anticipates that it will begin marketing those analyses to the financial industry sometime in the second quarter of 2102. The principals of RDK currently spend approximately 95% of their time on this business activity. RDK believes that this will have no effect on the advice offered to its current client. RDK will make a case by case assessment with respect to any potential conflicts with any future clients.

---

Pursuant to SEC Rules , Clients will receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We will further provide Clients with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Bill McVay, Managing Member at (410) 970-6111 or [info@rdkstrategies.com](mailto:info@rdkstrategies.com). Our Brochure is also available on our web site [www.rdkstrategies.com](http://www.rdkstrategies.com), also free of charge.

Additional information about RDK Strategies, LLC is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with RDK who are registered, or are required to be registered, as investment adviser representatives of RDK.

### Item 3 – Table of Contents

Item 1 – Cover Page.....	i
Item 2 – Material Changes.....	ii
Item 3 – Table of Contents.....	iii
Item 4 – Advisory Business .....	1
Item 5 – Fees and Compensation.....	3
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.....	5
Item 9 – Disciplinary Information.....	9
Item 10 – Other Financial Industry Activities and Affiliations.....	9
Item 11 – Code of Ethics .....	10
Item 12 – Brokerage Practices .....	11
Item 13 – Review of Accounts.....	11
Item 14 – <i>Client</i> Referrals and Other Compensation .....	11
Item 15 – Custody .....	12
Item 16 – Investment Discretion.....	12
Item 17 – Voting <i>Client</i> Securities .....	12
Item 18 – Financial Information.....	12

Brochure Supplement(s)

## **Item 4 – Advisory Business**

### **General Description of our Advisory Services**

RDK Strategies, LLC ("RDK") generally provides comprehensive investment management consulting services to sponsors of investment programs, to institutional investors and to sponsors of qualified and non-qualified pension and profit sharing plans. In this capacity RDK does not act as a conventional money manager offering discretionary or advisory asset management. In its consulting role RDK offers assistance in the following general areas:

- 1- The development of long-term strategic asset allocation policy;
- 2- The development and maintenance of investment policies and guidelines;
- 3- The selection and structure of investment managers/investment funds;
- 4- The monitoring and evaluation of the sponsor portfolios;
- 5- Setting policies concerning certain administrative and program implementation functions, such as custody, brokerage, securities lending, compliance controls, etc.
- 6- Customized client educational programs.

RDK also provides business and investment management consulting services to financial intermediaries sponsoring financial products and services (e.g. "Wrap Programs"). RDK may provide such clients with business consulting, marketing and advisor training support and other core support services. Services may include, but is not limited to, advice regarding the economy and global capital markets, asset allocation methods, models and strategies as well as direct research, selection and ongoing due diligence on money managers, mutual funds and hedge fund investment products, investment advisor compliance, systems, operations and structure.

We may also, from time to time, provide more limited investment advisory services to financial institutions and institutional investors. For example, we may develop only an investment policy or we may provide a structure for selecting and monitoring an investment manager.

### **Ownership and Age of Business**

RDK is owned by William McVay who is the Managing Member and Chief Compliance Officer. Mr. McVay owns 100% of the outstanding units. RDK was formed and has been registered as an Investment Adviser since 2007.

### **Tailoring of Services**

RDK customizes its services for each client. Thus fees may vary significantly from client to client. Our fees are determined by the services required, the complexity of the tasks

involved, the time required, the amount of assets, and the nature of the relationship. Fees can be paid as a percentage of assets or a retainer cash fee which may include an hourly charge. Clients are generally billed quarterly, in advance although some clients may be billed monthly and/or in arrears. Generally, the minimum account size is \$25,000,000 and/or a minimum cash fee of \$25,000 per year. All fees are negotiable. Clients may terminate the contract with 30 days written notice and receive a refund of fees for services not yet rendered. The length of time required for notification of termination may be separately negotiated and can vary from client to client. RDK generally provides investment consulting services to Corporate Retirement Plans (DB&DC), Corporate Operating Assets, Hospitals, Endowments and Foundations, Non-Profit Organizations, Financial Intermediaries (including Investment Companies), Taft-Hartley Plans, Religious Organizations and Church Plans as well as to High Net Worth Families. RDK provides specialized reporting & consulting services to certain investment advisory firms and financial institutions. These investment advisors (and their affiliates) are excluded from referral to other clients without the client's approval.

### **Limits on Investment Advice**

RDK is solely an investment consultant and does not, in its normal course of business, provide advice on specific securities. Clients typically utilize investment advisors to manage their portfolios which may be invested across a broad array of asset classes. Some clients may choose to implement certain investment programs with selected investment organizations utilizing vehicles regulated as securities, such as investment company securities or limited partnership interests (both registered and non-registered). Clients may also implement investment programs utilizing vehicles not regulated as securities including collective investment trusts and other investment instruments organized by banks and insurance companies. Our advice is not dependent on the form of the investment vehicle.

### **Non-Participation in Wrap Fee Programs**

RDK does not act as a portfolio manager of or sponsor wrap fee programs.

RDK will, from time to time, act as an adviser to other investment advisers who are considered portfolio managers or sponsors of wrap fee programs. A wrap fee program is defined as any advisory program under which a specified fee or fees not based directly upon transactions in a client's account is charged for investment advisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and the execution of client transactions. In traditional management programs, advisory services are provided for a fee but transaction services are billed separately on a per-transaction basis. In wrap-fee programs, advisory services and transaction services are provided for one fee.

### **Assets Under Management**

RDK does not have any assets under management in the usual and customary use of the term. The investment advice provided by RDK may vary in depth and scope of services from client to client and the assets advised by RDK and stated here will likely change significantly from year to year as some client projects end and other client projects begin. Accordingly, the assets advised by RDK are representative at the time of this brochure but will vary from time to time. Such variance is not considered a material event for the purposes of updating this brochure. At March 30, 2012 the value of client assets advised by RDK and using one or more RDK investment advisory services was \$29,000,000.

## **Item 5 – Fees and Compensation**

RDK customizes its services for each client. Thus fees may vary significantly from client to client. Our fees are determined by the services required, the complexity of the tasks involved, the time required, the amount of assets, and the nature of the relationship.

RDK does not accept compensation other than cash fees paid directly by a Client.

RDK maintains a standard fee schedule for its investment consulting services to institutional portfolios which includes:

- 1) The development of long-term strategic asset allocation policy;
- 2) The development and maintenance of investment policies and guidelines;
- 3) The selection and structure of investment managers/investment funds;
- 4) The monitoring and evaluation of the sponsor portfolios.

Fees for these services	Annual Fee
On the first \$50,000,000	10 basis points (0.10%)
On the next \$50,000,000	5 basis points (0.05%)
On the next \$400,000,000	2 basis points (0.02%)
All assets over \$500,000,000	1 basis point (0.01%)

All fees are negotiable. This fee schedule will vary significantly depending on the services provided. RDK does not maintain a standard fee schedule for its investment advice for services that are different than these services or that includes only portions of these services.

Fees for services other than those above can be paid as a percentage of assets or a retainer cash fee which may include an hourly charge. Clients are generally billed quarterly, in advance although some clients may be billed monthly and/or in arrears as negotiated in the Client Agreement. RDK does not have the ability to deduct its fees from Client accounts.

All clients receive an invoice for our services and remit cash payment. RDK receives no other compensation.

Generally, the minimum account size is \$25,000,000 and/or a minimum cash fee of \$25,000 per year. All fees are negotiable.

Following the first week after the signing of our contract, clients may terminate the contract with between 30 and 90 days written notice and receive a refund of fees for services not yet rendered. The length of time required for notification of termination and the method of calculating a fee refund may be negotiated and can vary from client to client. Generally, if the Client Agreement is terminated prior to the last day of the calendar quarter (or agreed upon billing period), RDK will issue a refund of a pro rata portion of any fees paid by the Client based upon the days remaining in the period and/or based on work already performed for the period.

RDK's fees are not charged on the basis of a share of capital gains or upon capital appreciation of the funds or any portion of the funds of an advisory client (Section 205(a)(1) of the Advisers Act).

RDK's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to RDK's fee, and RDK shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that RDK considers in selecting or recommending broker-dealers for *client* transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

Clients should note that similar advisory services may (or may not) be available from other registered investment advisers for similar or lower fees. The fees charged by RDK, whether hourly, a percentage of assets, or based upon a project quote, will be in addition to custodial, legal, accounting or record keeping costs charged by third parties or the cost of purchasing or owning securities, no-load mutual fund shares, or insurance products, such as commissions, management fees, 12b-1 fees and clearing charges.

RDK may provide specialized reporting & consulting services to certain investment advisory firms and financial institutions. These investment advisors (and their affiliates) are excluded from referral to other clients without the client's approval.

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

RDK does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

## **Item 7 – Types of Clients**

RDK generally provides investment consulting services to Corporate Retirement Plans (DB&DC), Corporate Operating Assets, Hospitals, Endowments, Foundations, Non-Profit Organizations, Financial Intermediaries (including registered and non-registered Investment Companies), Taft-Hartley Plans, Religious Organizations, Church Plans, High Net-Worth Families and other U.S. and international institutions. Generally, the minimum account size is \$25,000,000

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

### **Our Guiding Principles for Investment Analysis, Recommendations, and Decisions:**

RDK's primary evaluation focus is on analysis of money managers, with a secondary focus on analysis of individual securities. We have established philosophical principles and investment level principles intended to guide the investment advice that we provide. We are guided by philosophical principles on portfolio construction, diversification, market timing, and management style (active vs. passive). We are guided by investment level principles when evaluating investment companies, investment funds, and fund managers. Our philosophical principles and investment level principles are described below.

### **Philosophical Principles:**

#### **Portfolio Construction**

We believe an investment portfolio should be diversified. An investment portfolio should be constructed by bringing together asset classes that are imperfectly correlated. Each investment should be added to a portfolio based on the net benefit it adds to the overall portfolio. We believe that combining these imperfectly correlated asset classes will reduce the overall risk of a portfolio given a desired rate of return and will increase the return of a portfolio given a desired level of risk. We acknowledge that there are some limitations associated with the use of this concept; primary among them is the use of historical data that these relationships are predicated on. While we acknowledge that historical performance is limited in its ability to predict future correlations and returns, we believe this approach to portfolio construction to be pragmatic and in accordance with generally accepted investment principles.

## **Diversification**

In identifying imperfectly correlated asset classes, we believe in segmenting both equity and fixed income markets. We believe the most effective way to delineate equity asset classes is on the basis of style, level of capitalization and whether the equity investment is foreign or domestic. We also believe the most effective way to delineate fixed income investments is on the basis of credit quality, maturity, issuer (i.e. public or private) as well as whether the fixed income investment is domestic or foreign. We acknowledge that there are differing ways in which diversification may be achieved within an investment portfolio (e.g. sector, industry). However, we believe that segmenting equity and fixed income markets as described in the aforementioned statements is effective, pragmatic and in accordance with generally accepted investment practices.

## **Market Timing**

In general we do not believe in timing the market overall nor do we believe in timing any specific asset class. While we do not believe the markets are perfectly efficient, we do believe the markets are mostly efficient most of the time. One of the primary reasons we are opposed to market timing is the multiplicity of correct investment decisions that must be made in order to time the market correctly. An investor must not only be able to sell assets at the correct time, but must also be able to subsequently purchase assets at the proper time. We believe that the multiple accurate decisions add yet another barrier to effective market timing.

We acknowledge however, that there are times when the market's inefficiencies are more apparent. During these infrequent periods, timing a specific segment of the market may be beneficial.

## **Active vs. Passive Managed Investments**

We believe it is important to construct a portfolio comprised of asset classes that are imperfectly correlated. We have no preference with respect to how those asset classes are represented; actively managed investments or passively managed investments. We believe that passively managed investments will outperform the majority of actively managed investments of the same asset class. This outperformance is more likely in some asset classes than others. However, we also believe, that actively managed investments exist which consistently outperform their passively managed counterparts of the same asset class.

## **Investment Level Principles:**

### **Investment Structure**

We prefer separately managed accounts managed in accordance with a client's investment policy and pooled investment funds that clearly state their investment objective and

investment style. We desire an investment structure that has meaningful fundamental and non-fundamental policies that support the stated investment objective and investment style.

We give preference to investment strategies that are diversified among industries and sectors and remain true to their stated asset class. With all things equal, we favor investments that maintain low expense ratios. In general we are opposed to investments that use excessive amounts of leverage or derivatives.

### **Investment Managers**

We prefer investment managers that are free from, and committed to the avoidance of, conflicts of interest. We desire investment managers that possess stable management and have been in existence for a significant period of time. We favor investment managers that maintain a corporate culture consistent with professionalism, transparency and high moral standards. We desire investment managers that place emphasis on shareholders' rights. We prefer investment managers that align a meaningful amount of a manager's compensation to consistent long term investment outperformance and do not reward undue risk taking. We desire investment managers with easily understood investment philosophies (e.g. quantitative, qualitative) that are clearly defined and well communicated. We prefer fund managers that have a clearly defined investment philosophy and investment strategy. We prefer managers that have a defined universe of securities from which they select their portfolio. In addition, we give preference to managers that follow a clear investment process and can clearly communicate their strategies for both buying and selling investments within their portfolio. We believe the resources (i.e., infrastructure) an investment managers provides, contribute to the success of a given portfolio and/or portfolio manager. We prefer investment managers whose investment personnel are highly credentialed, experienced and offer a breadth of expertise.

**Fundamental** - A method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of companies). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). This method of security analysis is considered to be the opposite of technical analysis.

Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

**Other** - Proprietary and non-proprietary database materials are used to perform quantitative analysis of investment management organizations. RDK relies heavily upon its experience and expertise to perform qualitative evaluations of the people, process and investment products of these firms.

## **Investment Strategies**

The investment strategies implemented by our clients will vary considerably depending upon their specific needs and requirements. RDK spends a considerable amount of time working with clients to insure that the appropriate investment organizations and strategies, in the most efficient mixes, are utilized by our clients.

## **Risk of Loss**

Clients must understand that past performance is not indicative of future results. Therefore, current and prospective clients (including you) should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. Clients and prospective clients should be prepared to bear investment loss including loss of original principal. Because of the inherent risk of loss associated with investing, RDK is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines.

There are certain risks associated when investing in securities:

- **Market Risk** –The stock market as a whole may decline resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- **Equity (stock) market risk** – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- **Company Risk**. When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.
- **Fixed Income Risk**. When investing in bonds, there is the risk that issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- **Options Risk**. Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.

- **ETF and Mutual Fund Risk** – Investments in an ETF or mutual fund bear additional expenses based on the pro rata share of the ETFs or mutual fund’s operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. You will also incur brokerage costs when purchasing ETFs.
- **Investment Management Risk** – Your investment with any investment management firm varies with the success and failure of their investment strategies, research, analysis and determination of portfolio securities. If their investment strategies do not produce the expected returns, the value of the investment will decrease.
- **Investment Consulting Risk** – Your investment results may vary with the success and failure of our investment advice, research and analysis in forming your investment plan.

## **Item 9 – Disciplinary Information**

We do not have any legal, financial or other “disciplinary” item to report to you. We are obligated to disclose any disciplinary event that would be material to you when evaluating us to initiate a Client relationship, or to continue a Client relationship with us.

This statement applies to RDK and all of our employees and management persons.

## **Item 10 – Other Financial Industry Activities and Affiliations**

### **OTHER FINANCIAL INDUSTRY ACTIVITIES**

RDK does not have a related company that is a (1) broker/dealer, municipal securities dealer, government securities dealer or broker, (2) investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund), (3) other investment adviser or financial planner, (4) futures commission merchant, commodity pool operator, or commodity trading advisor, (5) banking or thrift institution, (6) accountant or accounting firm, (7) lawyer or law firm, (8) insurance company or agency, (9) pension consultant, (10) real estate broker or dealer, or (11) sponsor or syndicator of limited partnerships.

### **OTHER BUSINESS ACTIVITIES AND AFFILIATIONS**

RDK is registered as an Investment Advisor with the State of Maryland. . As discussed above, RDK provides a range of advisory and consulting services to financial institutions that do not involve investment advice. The fees charged for other advisory and consulting

services are separate and distinct from the investment advisory fees earned by RDK. It is difficult to separate the time devoted to each of the investment advisory services and the non-investment advisory services.

RDK estimates that its employees and related persons spend 95% of their time on non-advisory business services.

## **Item 11 – Code of Ethics**

RDK does not assume discretionary authority over client assets. Employees of RDK are not expected to provide any specific securities recommendations to its clients. All recommendations to purchase or sell securities are made by non-affiliated investment management firms. Thus, RDK does not participate directly or indirectly in any transaction. However, RDK and its employees may recommend investment managers, mutual funds and hedge funds which RDK or its employees own or will purchase. This creates a potential conflict of interest.

RDK's Code of Ethics ("Code") was adopted in compliance with the requirements of SEC rule 204A-1 under the Investment Advisers Act of 1940. High ethical standards are essential for the success of RDK and to maintain the confidence of clients. RDK's long-term business interests are best served by adherence to the principle that the interests of clients come first. We have a fiduciary duty to clients to act solely for the benefit of our clients.

All personnel of RDK, including directors, officers and employees must put the interests of the firm's clients before their own personal interests and must act honestly and fairly in all respects in dealings with clients. All personnel must also comply with all federal securities laws. In recognition of RDK's fiduciary duty to its clients and its desire to maintain its high ethical standards, the firm has adopted this Code of Ethics containing provisions designed to prevent improper personal trading, identify conflicts of interest, control outside activities, details employee reporting requirements and provide a means to resolve any actual or potential conflicts in favor of RDK's clients.

In summary, our Code of Ethics is based upon the following 6 principles:

1. Make all decisions on behalf of and recommendations to, our client solely in their interest.
2. Disclose fully to clients the compensation received, services provided, and any and all financial relationships, direct or indirect, between the consultant and any plan official, beneficiary, sponsor, investment manager or other service provider.
3. Maintain the confidentiality of all information entrusted to the consultant by the client to the fullest extent permitted by law.
4. Comply fully with all statutory and regulatory requirements affecting the delivery of consulting services with clients.

5. Endeavor to establish and maintain a standard of excellence in all aspects of investment management consulting.
6. Maintain the highest standard of personal conduct.

Adherence to the Code of Ethics and the related restrictions on personal investing is considered a basic condition of employment by RDK. The firm has appointed a Compliance Officer, who is charged with the administration of this Code of Ethics.

A complete copy of RDK's Code of Ethics is available to prospects and clients upon request.

## **Item 12 – Brokerage Practices**

RDK has no discretionary authority or control, whatsoever, with respect to any client assets. We do not manage portfolios or place security transactions for any client nor do we provide advice on the selection of broker-dealers.

## **Item 13 – Review of Accounts**

Performance evaluation reports are typically offered to clients who employ RDK to provide that service. Reports are typically provided and evaluated quarterly, however some clients may choose to receive reports on a different schedule. Significant events or client specific events may require special interim reports.

A senior professional of RDK will meet with each client on a regular basis as negotiated with each client to review our performance analysis report and, where required, assess the implementation of the client's investment policy.

Most clients receive quarterly performance evaluation reports however the frequency may be negotiated differently at a client's request.

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

RDK does not compensate non-related parties to solicit business for us.

## **Item 15 – Custody**

RDK does not have, directly or indirectly, physical possession (custody) of any Client assets.

We may provide reports to Clients that may incorporate elements of a Client's custodial statement. Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. We urge clients to carefully review such statements and compare such official custodial records to any reports that RDK may provide. Our reporting methodology may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## **Item 16 – Investment Discretion**

RDK does not have investment discretionary authority over Client assets or the investment of those assets.

## **Item 17 – Voting Client Securities**

RDK does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. RDK may provide advice to clients regarding the clients' voting of proxies.

## **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about the adviser's financial condition.

RDK does not have any disciplinary or financial issues to disclose for our firm or any employee.

As indicated above, we do not have custody of clients' funds or securities.

RDK has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

**Item 1- Cover Page**

William McVay

Petra Mulvey

RDK Strategies, LLC

100 West Road, Suite 300

Towson, MD 21204

(410) 970-6111

March 28, 2011

**This Brochure Supplement provides information about our employees William McVay and Petra Mulvey that supplements the RDK Strategies, LLC (“RDK”) Brochure. You should have received a copy of that Brochure attached to this supplement. Please contact William McVay if you did not receive RDK’s Brochure or if you have any questions about the contents of this supplement.**

Additional information about William McVay is available on the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Additional information about Petra Mulvey is available on the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2- Educational Background and Business Experience**

**William G. McVay, CIMA®i, CFP®ii, CIMCiii, ChFCiv**

Born: 1954

Bill has more than 30 years of experience in investment management consulting and the financial services industry. He earned his Certified Investment Management Analyst designation in 1993, the Certified Financial Planner designation in 1984, the Certified Investment Management Consultant designation in 1993 and the Chartered Financial Consultant designation in 1983. He is a member, past-Treasurer and past Vice-President of the Investment Management Consultants Association and a member of the Southern Pension Conference. He has also served on the IMCA Industry Advisory Council and on the Consultants Performance Presentation Standards Task Force. Mr. McVay was named an Independent Trustee of the Board of Directors of AdvisorShares ETF Trust in 2011.

Prior to founding RDK, Mr. McVay was a self-employed industry consultant from 2005 thru 2006. Mr. McVay was Vice-President and a partner of financial software developer Zephyr Associates, the leading provider of style based investment analytics from 2001-2005. Mr. McVay was previously Executive Vice-President of Financeware, Inc. in 2000 and, prior to that, was First Vice-President of Legg Mason Wood Walker where he was Co-Director of Investment Management Services and the Director of the Investment Consulting Group from 1988-2000. In his tenure at Legg Mason, Bill developed and managed all retail and institutional consulting services, investment management research, client service programs, built and managed fee based investment programs, investment advisory compliance systems, investment analytics, consulted with institutional clients and directed and oversaw the consulting activities of Legg Mason Financial Consultants. Bill also oversaw the managed futures and alternative strategies activities of Legg Mason Wood Walker, provided internal acquisition due diligence on investment advisory firms and was the President of LM Falcon Investment Strategies, Inc., a Legg Mason subsidiary specializing in developing alternative investment products and hedge funds. Prior to Legg Mason, Mr. McVay was the Director of the Asset Management Consulting Group at Shearson Lehman Brothers from 1987-1988.

Mr. McVay received a Bachelor of Education degree from Southeast Missouri State University (1976).

## **Item 3- Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. We do not have any legal, financial or other “disciplinary” item to report to you for William McVay.

#### **Item 4- Other Business Activities**

William McVay is an Independent Trustee of the AdvisorShares ETF Trust. AdvisorShares ETF Trust is an SEC registered mutual fund and is one of the leading providers of actively managed Exchange Traded Funds.

#### **Managing Conflicts of Interest**

RDK has not recommended and maintains policies to not recommend the services of AdvisorShares to RDK clients.

#### **Item 5- Additional Compensation**

William McVay receives compensation for his services as an Independent Trustee of the Board of Directors of AdvisorShares ETF Trust.

#### **Item 6 - Supervision**

William McVay is an experienced business person and industry professional. He determines and executes responsibilities as documented in our compliance Program Policies and Procedures. Mr. McVay has ultimate responsibility for the supervision, strategy and direction of RDK.

Mr. McVay's contact information (address, telephone number and email) are on the cover page of this Part 2 B Brochure supplement and should you have any questions, please contact Mr. McVay, directly.

**Petra K. Mulvey**

Born: 1950

Ms. Mulvey joined RDK in 2007 with 22 years of investment experience. She earned her Certified Investment Management Analyst (CIMA) designation in 1997 sponsored by the Investment Management Consultant Association. Ms. Mulvey has extensive experience evaluating investment management firms and has developed proprietary quantitative and qualitative manager evaluation methodologies, consulted to middle market pension and endowment fund clients, provided internal acquisition due diligence on investment advisory firms and developed performance measurement reports and enhancements to portfolio analysis software.

Previously Ms. Mulvey was a Senior Manager at KPMG from 2000 to 2006 where she directed the investment management research and due diligence services offered by KPMG Investment Advisors to financial institutions for their separately managed account and mutual fund advisory platforms.

Prior to joining KPMG, Ms. Mulvey headed manager research and due diligence for the investment consulting group of Legg Mason from 1994-2000. Previously, Ms. Mulvey was employed by Cambridge Associates (1984-1993) directing analysts in performance measurement-related and portfolio analytical research and projects.

Ms. Mulvey received a Bachelor of Arts degree in Political Science from Washington State University (1973) and a Masters degree in Business Administration from Northeastern University (1978).

**Item 3- Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. We do not have any legal, financial or other “disciplinary” item to report to you for Petra Mulvey.

**Item 4- Other Business Activities**

Petra Mulvey has no Other Business Activities.

**Item 5- Additional Compensation**

Petra Mulvey has no Additional Compensation to report.

**Item 6 - Supervision**

Petra Mulvey is an experienced business person and industry professional. She determines and executes her responsibilities as documented in our compliance Program Policies and Procedures. Mr. McVay has ultimate responsibility for the supervision, strategy and direction of RDK and Ms. Mulvey.

Mr. McVay's contact information (address, telephone number and email) are on the cover page of this Part 2 B Brochure supplement and should you have any questions, please contact Mr. McVay, directly.

---

**i Certified Investment Management Analyst<sup>SM</sup> (CIMA<sup>®</sup>)**

The CIMA certification signifies that an individual has met initial and on-going experience, ethical, education, and examination requirements for investment management consulting, including advanced investment management theory and application. Prerequisites for the CIMA certification are three years of financial services experience and an acceptable regulatory history. To obtain the CIMA certification, candidates must pass an online Qualification Examination, successfully complete a one-week classroom education program provided by a Registered Education Provider at an AACSB accredited university business school, and pass an online Certification Examination. CIMA designees are required to adhere to IMCA's Code of Professional Responsibility, Standards of Practice, and Rules and Guidelines for Use of the Marks. CIMA designees must report 40 hours of continuing education credits, including two ethics hours, every two years to maintain the certification. The designation is administered through Investment Management Consultants Association (IMCA<sup>®</sup>).

**ii CERTIFIED FINANCIAL PLANNER<sup>™</sup>, CFP<sup>®</sup> and federally registered CFP (with flame design) marks (collectively, the "CFP<sup>®</sup> marks")** are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board").

The CFP<sup>®</sup> certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP<sup>®</sup> certification. It is recognized in the United States and a number of other countries for:

1. high standard of professional education
2. stringent code of conduct and standards of practice
3. ethical requirements that govern professional engagements with clients. Currently, more than 62,000 individuals have obtained CFP<sup>®</sup> certification in the United States.

To attain the right to use the CFP<sup>®</sup> marks, an individual must satisfactorily fulfill the following requirements:

- **Education** – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning.
- **Examination:** Pass the comprehensive CFP<sup>®</sup> Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- **Experience:** Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and

- 
- **Ethics:** Agree to be bound by CFP Board's Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

### **Continuing Education and Ethics**

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- **Continuing Education:** Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and
- **Ethics:** Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

### **iii Certified Investment Management Consultant<sup>SM</sup> (CIMC®)**

As of December 2003, new CIMC certifications are no longer granted. When the designation was issued, its content focused on investment consulting. Current CIMC designees can maintain the designation through Investment Management Consultants Association (IMCA®). CIMC designees are required to adhere to IMCA's Code of Professional Responsibility, Standards of Practice, and Rules and Guidelines for Use of the Marks. CIMC designees must report 40 hours of continuing education credits, including two ethics hours, every two years to maintain the designation.

### **iv Chartered Financial Consultant (ChFC)**

The ChFC is issued by The American College. The designation requires three years of full-time business experience within the five years preceding the awarding of the designation. The coursework includes six core and two elective courses. The final exam is a proctored exam for each course. The designation requires 30 continuing education credits every two years.