

Item 1

Cover Page



2400 East 25th Street

Idaho Falls, ID 83404

Phone: 208-522-6400

Fax: 208-529-9802

Email:

onyx@onyxfinancial.com

Website:

www.onyxfinancial.com

Firm Brochure
Part 2A of Form ADV

November 12, 2019

This brochure provides information about the qualifications and business practices of Onyx Financial Advisors, LLC. If you have any questions about the content of this brochure, please contact us at: 208-522-6400 or by email at: onyx@onyxfinancial.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.

Additional information about Onyx Financial Advisors, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

ONYX FINANCIAL ADVISORS, LLC

Form ADV Part 2A

Item 2 Material Changes

Since our most recent annual update on February 6, 2019, this Brochure has been materially amended at Items 4, 5, and 7 to reflect new services offerings for retirement plan clients and related fee information.

We will ensure that all current clients receive a Summary of Material Changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. A Summary of Material Changes will be included with our Brochure on the SEC's website at <http://www.adviserinfo.sec.gov/>. The searchable IARD/CRD number for Onyx Financial Advisors, LLC is 134881. The Summary of Material Changes is listed as "Exhibit A" to our Brochure. We may further provide other ongoing disclosure information about material changes as necessary and will further provide you 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 us by telephone at: (208) 522-6400, by email at: onyx@onyxfinancial.com, or by going to www.OnyxFinancial.com and clicking on "Legal Disclosure" at the bottom left side of the page. Brochures are provided free of charge.

ONYX FINANCIAL ADVISORS, LLC

Form ADV Part 2A

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.....	6
Item 6	Performance-Based Fees and Side-By-Side Management	9
Item 7	Types of Clients	9
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss.....	10
Item 9	Disciplinary Information	12
Item 10	Other Financial Industry Activities and Affiliations	12
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	12
Item 12	Brokerage Practices	13
Item 13	Review of Accounts	15
Item 14	Client Referrals and Other Compensation	15
Item 15	Custody	16
Item 16	Investment Discretion.....	16
Item 17	Voting Client Securities	17
Item 18	Financial Information.....	17

Item 4 Advisory Business

A Firm Description & Principal Owners.

Onyx Financial Advisors, LLC ("Onyx", "we", "us") is an investment advisory firm formed in 2005 and located in Idaho Falls, Idaho. We are registered with the Securities and Exchange Commission and we provide investment management and financial planning to individuals, high net worth individuals, pooled investment vehicles and charitable organizations. The principal owners of Onyx Financial Advisors, LLC are Onyx Financial Corporation, TD Financial, Inc., CA Services, Inc., and LyndsGood, Inc. Onyx Financial Corporation is owned by Kenneth J. Simpson and Renita R. Simpson. TD Financial, Inc. is owned by Terry L. Roe and Deborah L. Roe. CA Services, Inc. is owned by Aaron Sautter and Candace Sautter. LyndsGood, Inc. is owned by Lyndsay Goody.

We provide personalized confidential financial planning and investment management. Advice is provided through consultation with the client and may include: determination of financial objectives, identification of financial problems, cash flow management, tax planning, insurance review, investment management, education funding, retirement planning, and estate planning.

We are strictly a fee-only wealth management firm. We do not sell for commission any annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other commissioned products. We are not affiliated with individuals or entities that sell financial products or securities. No commissions, in any form, are accepted. No finder's fees are accepted.

B Types of Advisory Services

We provide Financial Planning and Wealth Management services.

Financial Planning Services

Financial Planning is a process which starts with an evaluation of a client's current situation. Next, we determine their goals for such things as retirement, assisting children or parents, charitable gifting, and legacy goals. Then, we review other aspects of their life that will affect those goals, such as tax planning, life insurance, long-term care planning, outstanding loans, and other debts. After all information has been gathered, we work with the client in a collaborative process and develop a Financial Plan, a road map if you will, to help the client achieve their goals. When appropriate, we work with their estate planning attorney, insurance agent, banker, and other professionals so that all aspects of their Financial Plan work in a coordinated manner.

Wealth Management Services

Our Wealth Management services start with a Financial Plan and then we implement that plan and monitor it on an on-going basis. This includes asset management services. We do not have custody of our clients' assets. All of our clients' assets are

held at a third-party custodian of their choice. We do, however, download and reconcile the accounts of our Wealth Management clients daily into our portfolio tracking system so that we can monitor how our clients' plans are developing and make adjustments as needed. We also do quarterly and annual reviews and work with our clients on an on-going basis whenever they have problems or need advice on financial matters.

While our services are provided to clients on a discretionary basis (see Item 16, below), clients may impose reasonable restrictions on investing in certain types of securities, if they wish.

ERISA Plan Engagements:

Trustee Directed Plans: We may be engaged to provide discretionary investment advisory services to retirement plans qualified under the Employee Retirement Income Security Act of 1940, as amended ("ERISA"). In these engagements, we manage ERISA plan assets consistent with the investment objective designated by the plan trustees. In such engagements, we will serve as an investment fiduciary as that term is defined under ERISA Section 3(21) and as an investment manager as that term is defined under ERISA Section 3(38). We will generally provide these services on an "assets under management" fee basis.

Participant Directed Retirement Plans: We may also provide investment advisory and consulting services to participant directed retirement plans per the terms and conditions of a Retirement Plan Services Agreement. For such engagements, we assist the plan sponsor with the selection of a menu of designated investment alternatives from which plan participants shall make their respective investment choices and, to the extent engaged to do so, may also provide ancillary plan services, such as the development and maintenance of an Investment Policy Statement and the provision of participant educational services. In such engagements, we will serve as an investment fiduciary as that term is defined under ERISA Section 3(21).

C Tailored Relationships

Each clients' goals and objectives are unique. The goals and objectives for each client are documented in the client's Investment Policy Statement and Investment Advisory Agreement. Clients may impose restrictions on investing in certain securities or types of securities.

Types of Agreements

The following agreements define the typical client relationships.

Financial Planning Agreement

A Financial Plan is designed to help the client with all aspects of financial planning without on-going investment management after the financial plan is completed.

ONYX FINANCIAL ADVISORS, LLC

Form ADV Part 2A

The Financial Plan may include, but is not limited to: a net worth statement; a cash flow statement; a review of investment accounts, including reviewing asset allocation and providing repositioning recommendations; strategic tax planning; a review of retirement accounts and plans including recommendations; a review of insurance policies and recommendations for changes, if necessary; one or more retirement scenarios; estate planning review and recommendations; and education planning with funding recommendations.

Detailed investment advice and specific recommendations are provided as part of a Financial Plan. Implementation of the recommendations is at the discretion of the client.

Wealth Management Agreement

Most clients choose to have us manage their assets in order to obtain on-going in-depth advice and financial planning. All aspects of the client's financial affairs are reviewed. Realistic and measurable goals are set and objectives to reach those goals are defined. As goals and objectives change over time, suggestions are made and implemented on an on-going basis.

The scope of work and fees for a Wealth Management Agreement is provided to the client in writing prior to the start of the relationship. A Wealth Management Agreement may include some or all of the following: cash flow management; insurance review; investment management (including performance reporting); education planning; retirement planning; estate planning; and tax planning, as well as the implementation of recommendations within each area on an on-going basis.

Investment Management Agreement

Services for trustee-directed ERISA plans are provided under the terms and conditions of an Investment Management Agreement. Assets are managed on a discretionary basis, based on the goals and objectives of the plan. These engagements do not include financial planning or consulting.

Retirement Plan Services Agreement

For participant-directed ERISA plans, specific services to be provided to the plan are selected from a menu of service options made available on the Retirement Plan Services Agreement. To the extent selected by the plan client, our services under the Retirement Plan Services Agreement can include non-discretionary selection and supervision of a lineup of designated investment alternatives, non-discretionary selection and supervision of a qualified default investment alternative, development and maintenance of an Investment Policy Statement, and the provision of participant education services.

Asset Management

Assets are invested primarily in no-load mutual funds and exchange-traded funds, usually through discount brokers or fund companies. Fund companies charge each fund shareholder an investment management fee that is disclosed in the fund prospectus. Discount brokerages may charge a transaction fee for the purchase of some funds.

In limited instances, equities (stocks), corporate debt securities, commercial paper, certificates of deposit, municipal securities, and U.S. government securities may be purchased or sold through a brokerage account. This is typically done as an accommodation in response to a specific client request or to unwind positions that clients have transferred to our management. The brokerage firm charges a fee for stock and bond trades. We do not receive any compensation, in any form, from brokers or fund companies on any trading activity.

D Wrap Fees Programs

We do not participate in or sponsor any wrap fee programs.

E Client Assets

As of December 31, 2018, we manage approximately \$165,044,824 million in assets on a discretionary basis and \$0 in assets on a non-discretionary basis.

F Miscellaneous

Limitations of Financial Planning and Non-Investment Consulting/Implementation Services

To the extent requested by the client, we will generally provide financial planning and related consulting services regarding non-investment related matters, such as tax planning, insurance, etc. We may either provide such consulting services inclusive of our Wealth Management fee set forth at Item 5 below (exceptions may occur based upon assets under management, special projects, etc. for which we may charge a separate fee) or on a standalone basis per the terms and conditions of a *Financial Planning Agreement*. We do not serve as an attorney, accountant, or insurance agency, and no portion of our services should be construed as same. Accordingly, we do not prepare estate planning documents, tax returns, or sell insurance products. To the extent requested by a client, we may recommend the services of other professionals for certain non-investment implementation purpose (i.e. attorneys, accountants, insurance, etc.), including our affiliated CPA firm, Parry, Roe & Company, PLLC (see Item 10 below). You are under no obligation to engage the services of any such recommended professional, including Parry, Roe & Company, PLLC. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation that we make. **Please Note:** If the client engages any professional (i.e. attorney, accountant, insurance agent, etc.), recommended or otherwise, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from the engaged professional. At all times, the engaged licensed professional(s), and not Onyx, shall be responsible for the quality and competency of the services provided. **Conflict of Interest:** The recommendation that a client engage one of our representatives in his/her individual capacity as a certified public accountant, and/or utilize the services of our affiliated CPA firm, presents a conflict of interest, as we and/or our representative will derive an economic benefit from such engagement.

Commencement of Investment Management Services

ONYX FINANCIAL ADVISORS, LLC

Form ADV Part 2A

Onyx does not commence managing any of the client's investment assets until completion of the client's written financial plan, which includes the adoption of an Investment Policy Statement. It is only after adoption of the IPS (the written policy indicating how the client's investment assets shall be managed by Onyx) that the Investment Advisory Agreement between the client and Onyx is signed.

Use of Mutual Funds

While Onyx may recommend allocating investment assets to mutual funds that are not available directly to the public, Onyx may also recommend that clients allocate investment assets to publically-available mutual funds that the client could obtain without engaging Onyx as an investment adviser. However, if a client or prospective client determines to allocate investment assets to publically-available mutual funds without engaging Onyx as an investment adviser, the client or prospective client would not receive the benefit of Onyx's initial and ongoing investment advisory services. Other mutual funds, such as those issued by Dimensional Fund Advisors ("DFA"), are generally only available through registered investment advisers. Onyx may allocate client investment assets to DFA mutual funds. Therefore, upon the termination of Onyx's services to a client, restrictions regarding transferability and/or additional purchases of, or reallocation among DFA funds will apply. Onyx's Chief Compliance Officer, Kenneth Simpson, remains available to address any questions that a client or prospective client may have regarding the above.

Retirement Rollovers – No Obligation / Conflict of Interest

A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If Onyx recommends that a client roll over their retirement plan assets into an account to be managed by Onyx, such a recommendation creates a conflict of interest if Onyx will earn a new (or increase its current) advisory fee as a result of the rollover. No client is under any obligation to roll over retirement plan assets to an account managed by Onyx. Onyx's Chief Compliance Officer, Kenneth Simpson, remains available to address any questions that a client or prospective client may have regarding the potential for conflict of interest presented by such rollover recommendation.

Fidelity

As discussed below at Item 12, Onyx recommends that Fidelity serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as Fidelity charge brokerage commissions and/or transaction fees for effecting securities transactions. In addition to Onyx's investment management fee, brokerage commissions and/or transaction fees, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses). The fees charged by Fidelity, as well as the charges imposed at the mutual fund and exchange traded fund level, are in addition to Onyx's advisory fee referenced in Item 5 below.

Portfolio Activity

Onyx has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, Onyx will review client portfolios on an

ONYX FINANCIAL ADVISORS, LLC

Form ADV Part 2A

ongoing basis to determine if any changes are necessary based upon various factors, including, but not limited to, investment performance, mutual fund manager tenure, style drift, and/or a change in the client's investment objective. Based upon these factors, there may be extended periods of time when Onyx determines that changes to a client's portfolio are neither necessary nor prudent. Of course, as indicated below, there can be no assurance that investment decisions made by Onyx will be profitable or equal any specific performance level(s).

Client Obligations

In performing our services, Onyx shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify us if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services.

Cash Positions

Depending upon perceived or anticipated market conditions/events (there being no guarantee that such anticipated market conditions/events will occur), we may maintain cash and cash equivalent positions (such as money market funds, etc.) for defensive and liquidity purposes. Unless otherwise agreed in writing, all such cash positions are included as part of the assets under management for purposes of calculating our advisory fee. **ANY QUESTIONS**: Onyx's Chief Compliance Officer, Kenneth Simpson, remains available to address any questions that a client or prospective may have regarding the above fee billing practice.

Investment Risk

Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by Onyx) will be profitable or equal any specific performance level(s).

Disclosure Statement

A copy of Onyx's written disclosure statement as set forth on Part 2 of Form ADV shall be provided to each client prior to, or contemporaneously with, the execution of the Investment Advisory Agreement or Financial Planning and Consulting Agreement.

Item 5 Fees and Compensation

A Description

We base our fees on a percentage of assets under management, and fixed fees.

Wealth Management Fees

ONYX FINANCIAL ADVISORS, LLC

Form ADV Part 2A

The annual Wealth Management fee is based on a percentage of the investable assets according to the following schedule:

1.00% per year on the first \$1,000,000;
0.50% on the assets above \$1,000,000.

The minimum annual wealth management fee is \$5,000 and in certain circumstances wealth management fees may be negotiable.

In our sole discretion, we may charge a lesser wealth management fee, waive or reduce our fee minimum, and/or charge a flat fee based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, prior fee schedules, competition, negotiations with client, etc.). **Please Note:** As result of the above, similarly situated clients could pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees. **ANY QUESTIONS:** Onyx's Chief Compliance Officer, Kenneth Simpson, remains available to address any questions that a client or prospective client may have regarding advisory fees.

Financial Planning Fees

Financial planning services are provided for clients who need advice on a limited scope of work. Financial plans are priced according to the degree of complexity associated with the client's situation.

The fee for a Financial Plan is predicated upon the facts known at the start of the engagement. The minimum fee is usually between \$1,000 to \$5,000 and is negotiable. Since financial planning is a discovery process, situations occur wherein the client is unaware of certain financial exposures or predicaments.

In the event that the client's situation is substantially different than disclosed at the initial meeting, a revised financial planning fee will be provided for mutual agreement. The client must approve the change of scope in advance of the additional work being performed when a financial planning fee increase is necessary.

In certain circumstances, financial planning fees may be negotiable.

Investment Management Fees for Trustee-Directed ERISA Plans

The annual Investment Management fee for ERISA plans is based on a percentage of the investable assets according to the following schedule:

1.00% per year on the first \$1,000,000;
0.50% on the assets above \$1,000,000.

The minimum annual fee is \$2,500 and in certain circumstances investment management fees may be negotiable.

ONYX FINANCIAL ADVISORS, LLC

Form ADV Part 2A

Retirement Plan Services Fees for Participant-Directed ERISA Plans

The annual Retirement Plan Services fee for ERISA plans is based on a percentage of the plan's assets according to the following schedule:

0.50% per year on the first \$5,000,000;
0.25% on the assets above \$5,000,000.

The minimum annual retirement plan services fee is \$2,500 and in certain circumstances the fee may be negotiable.

B Fee Billing

Investment management fees are billed quarterly, in arrears, meaning that we invoice the client after the three-month billing period has ended. Payment in full is expected upon invoice presentation. Fees are usually deducted from a designated client account to facilitate billing. The client must consent in advance to direct debiting of their investment account. Payment of fees may result in the liquidation of client's securities if there is insufficient cash in the account.

Fees for financial plans are billed monthly as work is performed and usually requires a deposit.

C Other Fees

Custodians may charge transaction fees on purchases or sales of certain stocks, bonds, mutual funds and exchange-traded funds. See Item 12 below for further information on brokerage practices. These transaction charges are usually small and incidental to the purchase or sale of a security. The selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security.

We, in our sole discretion, may waive our minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

Expense Ratios

Mutual funds generally charge a management fee for their services as investment managers. The management fee is called an expense ratio. For example, an expense ratio of 0.25 means that the mutual fund company charges 0.25% for their services per year. These fees are in addition to the fees paid by the client to us.

Performance figures quoted by mutual fund companies in various publications are after their fees have been deducted.

D Advance Fees, Refunds, and Termination

ONYX FINANCIAL ADVISORS, LLC

Form ADV Part 2A

Clients generally pay our fees after work is completed and there are no prepaid fees to be refunded. However, a deposit may be required upfront for certain financial planning projects.

At termination, fees for AUM will be billed on a pro-rata basis for the portion of the quarter completed. The portfolio value at the time of termination is used as the basis for the fee computation, adjusted for the number of days during the billing quarter prior to termination.

A Client may terminate any service agreement at any time by notifying us in writing and paying the fee for the time spent on the investment advisory engagement prior to notification of termination. We also may terminate any service agreement at any time by notifying the client in writing. Retirement Plan Services relationships are only terminable with thirty (30) day advance notice by the terminating party. In any case, if the client made an advance payment, we will refund any unearned portion of the advance payment within 30 days.

We reserve the right to stop work on any account that is more than 30 days overdue. In addition, we reserve the right to terminate any financial planning engagement where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in our judgment, to providing proper financial advice.

E Other Compensation

Onyx does not receive any compensation for the sale of securities or other investment products, including asset-based sales charges or transaction fees from the purchase or sale of mutual funds

Item 6 Performance-Based Fees and Side-By-Side Management

We do not charge any performance-based fees for our services and we do not engage in Side-By-Side management of accounts.

Item 7 Types of Clients

Description

We generally provide investment advice to individuals, high net worth individuals, trusts, estates, and charitable organizations. In addition, we provide consulting services to pension and profit sharing plans, corporations and other business entities.

Client relationships vary in scope and length of service.

Account Minimums

For Wealth Management clients, the minimum account size is \$500,000 of assets under management, which equates to an annual fee of \$5,000. For ERISA plan engagements (whether trustee- or participant-directed), the minimum annual fee is \$2,500.

In our sole discretion, we may charge a lesser wealth management fee, waive or reduce our fee minimum, and/or charge a flat fee based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, prior fee schedules, competition, negotiations with client, etc.). **Please Note:** As result of the above, similarly situated clients could pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees. **ANY QUESTIONS:** Onyx's Chief Compliance Officer, Kenneth Simpson, remains available to address any questions that a client or prospective client may have regarding advisory fees.

If you maintain assets under Onyx's management below certain thresholds, and are subject to Onyx's annual minimum fee, you will pay a higher percentage fee than referenced in the fee schedule listed in Item 5. For example, a client subject to Onyx's \$5,000 minimum annual fee who maintains less than \$500,000 in assets under Onyx's management will pay a fee higher percentage fee than referenced in the fee schedule listed in Item 5 above.

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss

A Methods of Analysis

We analyze securities and their respective asset classes based upon the leading academic research that has been performed in the context of efficient market strategies and the simple, yet powerful, view of market equilibrium and its profound investment implications. Our philosophy when it comes to investing is as follows:

- Markets are efficient, and the asset allocation will determine the expected return of a portfolio.
- Diversification reduces uncompensated risk.
- Higher expected returns come with higher expected volatility.
- Investments should be managed based on sound academic research, not attempts to time the market.
- Portfolios should be built with assets that capture the appropriate elements of the market as efficiently as possible.

Investment Strategies

We design strategies that offer consistent, fully diversified exposure to the risks that drive long-term returns. We build broadly diversified portfolios using a range of asset classes within the US and Non-US markets. These strategies are designed to offer defined exposure to the underlying sources of risk inherent in each asset class. We use

targeted asset classes, which include: small company stocks, large company stocks, value and growth stocks, bonds, real estate, and cash management.

Accounts are managed in order to reduce taxes where possible. These strategies are used in proportion as we assemble the component pieces of each broadly diversified portfolio. As we assemble each broadly diversified portfolio, we identify the risks that bear compensation, determine how much risk to take, and then strive to invest in securities that manage these risks as efficiently as possible.

The investment strategy for a specific client is based upon the client's ability, willingness, and need to take risk in order to attain their desired objectives. The client may change these objectives at any time through direct communication with their advisor. Each client executes an Investment Policy Statement that documents their ability, willingness, and need to take risk, as well as their goals and objectives.

B Risk of Loss

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will buy more than a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while oil and gas limited partnerships are not.

- Financial Risk: Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Item 9 Disciplinary Information

We are required to disclose all material facts regarding any legal or disciplinary event that would be material to your evaluation of our firm, or the integrity of our management. No principal or person associated with our firm has any information to disclose which is applicable to this Item.

Item 10 Other Financial Industry Activities and Affiliations

We are affiliated with and have common owners with Parry, Roe & Company, PLLC, a CPA firm which provides tax and accounting services. Our clients may also become clients of this CPA firm, but are not required to do so. If an Onyx Financial Advisors, LLC's client is also a client of Parry, Roe & Company, then client information may be at times shared between Onyx Financial Advisors, LLC and Parry, Roe & Company. We make it a practice to request written authorization to share information with our affiliated firms.

We are affiliated with and have common owners with Onyx Financial Consulting, LLC, a consulting firm which provides consulting services to businesses, banks and other financial institutions.

The principals of Onyx may receive compensation from an advisory client who becomes a client of one of our affiliated firms. This scenario creates a conflict of interest because we have an incentive to recommend our affiliated firms for CPA and specialized consulting services. If we recommend our affiliated firms to clients for separate services, we will first disclose our affiliation with these firms and advise clients that they are free to seek similar services from any CPA or Consulting firm they wish.

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

A Code of Ethics

We have a Code of Ethics which all employees are required to follow. The Code of Ethics outlines our high standard of business conduct, and fiduciary duty to clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts, the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things.

A copy of the code of ethics is available to any Client or prospective client upon request by contacting us at (208) 522-6400, or by email at: onyx@onyxfinancial.com.

B, C, D Participation or Interest in Client Transactions, Personal Trading

Our firm and our employees may buy or sell securities that are also held by clients. Employees may not trade their own securities ahead of client trades. In some cases the firm or our employees may buy or sell securities for their own account for reasons not related to the strategies adopted for our clients. Employees are required to comply with the provisions of our Code of Ethics and Insider Trading Policy.

The Chief Compliance Officer of Onyx Financial Advisors, LLC is Kenneth J. Simpson. He reviews all employee trades each quarter. His trades are reviewed by the oversight committee. The personal trading reviews ensure that the personal trading of employees does not affect our clients. No employee trades are large enough to affect the securities markets.

Item 12 Brokerage Practices

A Selecting Brokerage Firms

In the event that the client requests that Onyx recommend a broker-dealer/custodian for execution and/or custodial services, Onyx generally recommends that investment advisory accounts be maintained at Fidelity. Prior to engaging Onyx to provide investment management services, the client will be required to enter into a formal Investment Advisory Agreement with Onyx setting forth the terms and conditions under which Onyx shall advise on the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that Onyx considers in recommending Fidelity (or any other broker-dealer/custodian to clients) include historical relationship with Onyx, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by Onyx's clients shall comply with Onyx's duty to obtain best execution, a client may pay a transaction fee that is higher than another qualified broker-dealer might charge to effect the same transaction where Onyx determines, in good faith, that the transaction fee is reasonable. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Onyx will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Onyx's investment advisory fee.

B Non-Soft Dollar Research and Additional Benefits

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, we can receive from Fidelity (or another broker-dealer/custodian, investment manager, platform or fund sponsor, or vendor) without cost (and/or at a discount) support services and/or products, certain of which assist us to better monitor and service client accounts

ONYX FINANCIAL ADVISORS, LLC

Form ADV Part 2A

maintained at such institutions. Included within the support services that may be obtained by us can be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support-including client events, computer hardware and/or software and/or other products used by us in furtherance of our investment advisory business operations.

Certain of the above support services and/or products assist us in managing and administering client accounts. Others do not directly provide such assistance, but rather assist us to manage and further develop its business enterprise.

Our clients do not pay more for investment transactions effected and/or assets maintained at Fidelity as a result of this arrangement. There is no corresponding commitment made by Onyx to Fidelity, or any other any entity, to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

Onyx's Chief Compliance Officer, Kenneth Simpson, remains available to address any questions that a client or prospective client may have regarding the above arrangements and any corresponding perceived conflict of interest such arrangements may create.

C Directed Brokerage

Onyx recommends that its clients utilize the brokerage and custodial services provided by Fidelity. Onyx generally does not accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and Onyx will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by Onyx. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

Please Note: In the event that the client directs Onyx to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through Onyx. Higher transaction costs adversely impact account performance. **Please Also Note:** Transactions for directed accounts will generally be executed following the execution of portfolio transactions for non-directed accounts.

D Order Aggregation

The vast majority of transactions effected by Onyx for client accounts are open-end mutual funds. Transactions for each client account generally will be effected independently. To the extent applicable relative to exchange listed equity purchases (ETFs), Onyx may determine to purchase or sell the same securities for several clients at approximately the same time. In such situations, Onyx may (but is not obligated to) combine or “bunch” such orders when it believes that it might result in obtaining better price execution.

Item 13 Review of Accounts**A Periodic Reviews**

Wealth Management account reviews are performed quarterly by investment advisor representatives and the Chief Compliance Officer. Account reviews are performed more frequently when market conditions dictate. Financial Planning client reviews are done at the request of the client.

B Review Triggers

Other conditions that may trigger a review are changes in the tax laws, new investment information, and changes in a client's own situation.

C Regular Reports

Clients receive standard account statements from the custodian of their accounts on a monthly or quarterly basis.

Wealth Management clients receive written reports from us every three months as well as annual reviews. Quarterly client reports for Wealth Management clients are reviewed by the client's primary investment advisor representative and the Chief Compliance Officer. We consider the client's current security positions and the likelihood that the performance of each security will contribute to the investment objectives of the client.

Item 14 Client Referrals and Other Compensation**A Incoming Referrals**

We continue to have clients referred to our firm. Current clients, estate planning attorneys, certified public accountants, family, friends and others have all referred clients to us and have not received any compensation for the referral.

In addition, as referenced in Item 12 above, Onyx may receive an economic benefit from Fidelity. Onyx, without cost (and/or at a discount), may receive support services and/or products from Fidelity.

Onyx's clients do not pay more for investment transactions effected and/or assets maintained at Fidelity as a result of this arrangement. There is no corresponding commitment made by Onyx to Fidelity or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

B Referrals Out

We do not accept referral fees or any form of compensation from third parties when a prospect or client is referred to them.

Item 15 Custody

Onyx shall have the ability to have its advisory fee for each client debited by the custodian. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. Onyx may also provide a written periodic report summarizing account activity and performance.

Please Note: To the extent that Onyx provides clients with periodic account statements or reports, the client is urged to compare any statement or report provided by Onyx with the account statements received from the account custodian. **Please Also Note:** The account custodian does not verify the accuracy of Onyx's advisory fee calculation.

Onyx provides other services on behalf of its clients that require disclosure at ADV Part 1, Item 9. In particular, certain clients have signed asset transfer authorizations that permit the qualified custodian to rely upon instructions from Onyx to transfer client funds to "third parties." In accordance with the guidance provided in the SEC Staff's February 21, 2017 Investment Adviser Association No-Action Letter, the affected accounts are not subjected to an annual surprise CPA examination.

Onyx's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding custody-related issues.

Item 16 Investment Discretion

Discretionary Authority for Trading

We accept discretionary authority to manage accounts on behalf of clients. We have the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. However, we do consult with the client prior to each trade to obtain concurrence if a blanket trading authorization has not been provided.

Clients may place reasonable restrictions on this authority. For example they may restrict us from investing in certain securities or types of funds. Any requests for restrictions on our authority must be provided to us in writing and accepted by us.

The client approves the custodian to be used. We do not receive any portion of the transaction fees or commissions paid by the client to the custodian.

Discretionary trading authority facilitates placing trades in client accounts on the client's behalf so that we may promptly implement the investment policy that the client has approved in writing.

Limited Power of Attorney

A limited power of attorney is a trading authorization for this purpose. The client signs a limited power of attorney so that we may execute the trades that have been approved.

Item 17 Voting Client Securities

A, B Proxy Votes

We do not vote proxies on securities. Clients are expected to vote their own proxies if they wish. Unless otherwise directed, clients will receive proxies and other solicitations directly from the custodian or transfer agent. In the event that the client does not want to receive proxies and other legal actions affecting the client's investment assets from the account custodian and determines to have them forwarded to Onyx, Onyx will not vote the proxies or any other matter affecting the assets. At any time the client wishes, he or she may direct the proxy be sent directly to him or herself or a designated representative of the client, who is responsible to vote the proxy.

In limited circumstances and when specifically requested by a client, we may provide recommendations to the Client. If a conflict of interest exists, it will be disclosed to the Client.

Item 18 Financial Information

Financial Condition

A We may require a portion of fees to be paid in advance in the form of a deposit for financial planning work. However, we will not collect more than \$1,200.00 more than six months in advance of service from any client.

B We do have discretionary authority over client funds and securities, however we have no financial impairment that will preclude the firm from meeting contractual commitments to clients.

C Neither our firm nor any of our principals, have been the subject of a bankruptcy petition at any time in the past.

Questions

Onyx's Chief Compliance Officer, Kenneth Simpson, remains available to address any questions regarding this ADV, Part 2A.