Onyx Investments, Inc.

Report 2016

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Goal: 998,830,979 miles

Investment Report 16

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Highway 10, Exits Ahead:

Power	8,830,979 Miles
Respect	98,830,979 Miles
Goal	998,830,979 Miles

I. A Letter From the Chairman

July 29, 2016

Reader:

The term, "your first million is the hardest," is indeed, very true. Firstly, mathematical logic makes this statement true, in that you will literally be going from "zero to one hundred," with key junctions at $10,000, $25,000, $50,000, $100,000, $250,000, and $500,000 along the route. At zero, of course, you will only be selling a dream.

The Power of Compounding

With time, the power of compounding will go to work, which is a force that Albert Einstein, with his superior intellect, lauded as "eighth wonder of the world." For the sake of simplicity, 10% of $100 is $10, 10% of $1,000 is $100, 10% of $10,000 is $1,000, 10% of $100,000 is $10,000, and 10% of $1,000,000 is $100,000.

The Standard & Poor's 500 Index of U.S. large capitalization stocks has averaged 11% annual returns since it was first compiled, in 1923. Aggregate stock market averages, of course, are the result of day-to-day volatility, where individual prices may easily swing +/- 1% within one day, or between 10 and 20% gains and losses through one quarter.

It is highly likely that a $1,000,000 portfolio may generate $100,000 in capital gains over the course of one year, simply by existing. Taken further, a $100,000,000 asset base may very well compile $10,000,000 in annual capital gains, or even $1,000,000 per day through sharp market rallies. In effect, the rich get richer.

These basic calculations, although impressive in their own right, do not account for the ongoing addition and reinvestment of capital over time. A systematic, $500 monthly investment may grow to $1 million over the course of thirty years, at a 10% average annual return. At 15% returns, this same investment would grow to $3 million.

Our Infinite Potential

The sky is the limit through smart money management. Over the long term, productive businesses will appreciate in price, spin off assets, and pay out dividends. This free cash flow can be reinvested into a burgeoning empire. Taken together, the Titans of Finance George Soros ($25 billion), Carl Icahn ($21 billion), and Warren Buffett ($63 billion) have amassed a staggering total of $109 billion in net worth, as full-time investors.

Buffett, for his part, bought into a decrepit New England textile mill in 1962, for pennies on the dollar. Berkshire Hathaway now carries $360 billion in market capitalization and is the fifth largest corporation in the United States, with significant investment positions in Wells Fargo, American Express, IBM, Coca Cola, and Wal-Mart.

Onyx Investments itself, with time and an effective succession plan, will also approach infinity. At 36, I operate with a likely 30-50 years of productivity ahead, from which to stockpile greater amounts of capital, experience, professional connections, and most importantly, investment acumen. Onyx has already survived and advanced through the most difficult start-up stage to establish this business. Now, with a solid capital base, we can operate more so patiently, instead of at a helter-skelter pace to close deals at all costs.

Laying the Groundwork

At 23, in 2004, I started Onyx Investments with $12,500, one old Compaq computer from college (North Carolina – Chapel Hill), Microsoft Word, and Excel, out of an all but empty apartment in Roger's Park – Chicago. At the time, I also placed several phone calls and visits to the Illinois Secretary of State, Recorder of Deeds, and IRS offices – to legally establish the corporation.

For office space, I headed right for the intersection of Jackson Boulevard and Clark Street, in honor of my maternal grandparents, Thomas Jackson and Bertha Clarke. Both buildings directly east of this intersection were government buildings, with Social Security, IRS, and EPA regional offices. The third address at Jackson and Clark was the old Continental Bank of Illinois building, then fully occupied by Bank of America.

The only available option remaining was 111 West Jackson Boulevard, which was conveniently located adjacent to the Chicago Board of Trade at 141 West Jackson and Federal Reserve Bank at 230 South LaSalle. Management at 111 West Jackson then offered a one-room space at 1504J for $448.52 per month, with a full set of used office furniture thrown in to sweeten the deal. I happily accepted.

The first two Onyx trades, on March 16, 2004, were buy orders for 75 shares of ExxonMobil at $41.99 and 3 shares of Berkshire Hathaway at $3,110.00 (150 shares at $62.20, when adjusted for 50-for-1 stock split). From there, I immediately went to work, cranking out proposals, working the phones, passing out flyers, and even going door-to-door to strike up business. My late mother quickly emerged as my first and only client. With part of her seed money, I bought 14 shares of 3M at $81.39.

By April 2004, the Onyx Investments portfolio had grown in earnest, to 5 shares of Berkshire Hathaway, 203 shares of Exxon Mobil, and the 14 shares of 3M. For the next quarter, I added to these three positions, before blowing the portfolio up, going to all cash, and building the equity capital base back up again.

Onyx Investments and Big Oil

I aggressively bought into Exxon, in anticipation of skyrocketing energy prices, while also picking up additional shares of 3M, Berkshire, Best Buy, Electronic Arts, UPS, Coca Cola, Danaher, Nike, and even Fannie Mae. After one year, Onyx Investments equity positions had grown beyond $100,000, with more than one-third of this money being tied up within ExxonMobil. This was our playbook up to and through August 2005, when Hurricane Katrina made landfall, decimated Gulf Coast energy infrastructure, leveled the City of New Orleans, and immediately drove the price of oil above $70 per barrel. (Brent and U.S. light sweet crude oil prices topped out at near $150 per barrel in Summer 2008).

By July 2007, Onyx Investments stock market positions were approaching $250,000, with more than $100,000 of this capital being invested into Exxon, on top of smaller positions in Apache, an oil producer with significant interests in the North Sea and Gulf of Mexico, and BHP Billiton, a commodities play out of Australia. Onyx, in effect, was an integrated oil company plowing free cash flow into outside, diversified manufacturing and consumer staples. For the sake of perspective, our second largest position at the time, Berkshire Hathaway, accounted for a mere $28,000 of the balance sheet.

In retrospect, however, one of our more intelligent 2007 moves was to completely sell off and liquidate 200 shares of Fannie Mae stock. Even then, Fannie appeared to be too complex, with many off balance sheet accounting irregularities. The housing market, I thought, was wildly overvalued, to the point where taxicab drivers, schoolteachers, and mild mannered, bean-counting accountants were quitting their day jobs to flip property. For me, the mania felt eerily similar to the dot-com bubble.

2007-2009 Financial Crisis

By any definition, the 2008 financial crisis, Great Recession, housing bust, or credit crunch was the worst global economic debacle since the Great Depression. At its low point, the entire financial system teetered upon total collapse, with fringe groups going so far as to challenge the merits of capitalism and prepare for anarchy. Occupy Wall Street and the Tea Party ultimately birthed Bernie Sanders and Donald Trump, as the leaders of malcontents at the opposite ends of the political spectrum.

The wide-ranging casualties of this collapse included the likes of AIG, Fannie Mae, Bear Stearns, Lehman Brothers, Merrill Lynch, Wachovia, Washington Mutual, and Countrywide, which all either went bankrupt, forced into government conservatorship, or sold off to larger financial institutions for pennies on the dollar. Too big to fail banks Goldman Sachs, JP Morgan, Citigroup, and Bank of America all fed at the discount window trough, with new terminologies like TARP, TANF, and Operation Twist being introduced to cover ever more ambitious stimulus packages. In all, the U.S. Government and taxpayer spent well over $2 trillion to bail out the domestic economy.

The apparently well-oiled machine of globally interconnected institutions literally ground to a screeching halt overnight, with a circular firing squad of Main Street savers, hedge fund managers, regulators, credit rating agencies, insurers, and government bureaucrats passing the buck and pointing fingers. In summary, government policies prioritizing homeownership combined with ultra-low interest rates to spur real estate demand and inflate prices. From there, financial engineers packaged mortgages together and sold off tranches of these collateralized mortgage obligations (CMOs) to outside investors, far removed from Main Street and desperate for yield.

With time, these complex arrangements degenerated into all out free-for-alls of greed and outright fraud. In this game of musical chairs, realtors, mortgage brokers, asset managers, and insurers were all out to earn fat commission checks and bonuses, at any cost. First, overinflated home prices collapsed, to the point where owners simply walked away from their properties, instead of throwing good money after bad.

Next, banks, insurers, and institutional investors were left holding the bag, at the same time that capital was in short supply, simply to fund day-to-day operations. Financial institutions then began to liquidate assets at fire sale prices to shore up balance sheets and meet their own debt obligations. By March 9, 2009, the Dow Jones Industrial Average had cratered to a 12-year low at 6,547.05. The stock market had lost more than half of its value over the course of 18 months.

A Shift: Growth at a Reasonable Price

Onyx Investments emerged out of the financial crisis relatively unscathed, through a time when mere survival was a cause for celebration. The Onyx balance sheet did decline slightly from $283,760.25 to $255,026.75, between July 2007 and July 2009. Time had literally stopped through the financial crisis and these dead years. Still, I took this flat-lining portfolio and asset base as a definitive win amid the absolute wreckage and sheer panic that had bankrupted an 85-year old institution in Lehman, buried the real estate market, and destroyed the life savings of everyday Americans. Like frontiersmen out on the range, we had circled the wagons and came out that much stronger.

Until that point, the Onyx portfolio was the near exclusive domain of many of the more conservative names in the financial space. The goal, in the lead up to the housing

bust, was simple: Do Not Lose Money. The lion's share of our capital was then allocated towards the likes of ExxonMobil, Berkshire Hathaway, Coca Cola, Altria, and Philip Morris. Exxon and Berkshire were then notable for their AAA credit ratings, Coca Cola was arguably the most powerful brand in the world, and Altria and Philip Morris, as tobacco companies, hawked product that was all but recession proof.

This conservative strategy served us well through the Great Recession, with our portfolio barely budging through a total market meltdown. Still, the potential for asset redemptions from outside investors, in conjunction with difficulty raising capital and new business that were my chief concerns at the time. I saw firsthand, through the housing bust, that clients were more likely to shift capital out of a secure fund to shore up losses elsewhere amid recession. A recession, of course, is the best opportunity to snap up shares on the cheap. Selling out amid financial panic is the worst of moves.

Our strategy then became two pronged. 1: Generate and secure stable free cash flow through outside business ventures and dividend income. 2: Reinvest capital into growth stocks at reasonable prices. With time, Onyx Investments will be minting money, and a $1 billion conglomerate of diverse stocks and businesses is the end goal.

Kofi Bofah, Chairman

Figure 1. **Assets as of July 29, 2016**

Shares	Description	Market Value
4,000	Altria Group	$270,800.00
1,500	Apple Inc.	156,315.00
2,200	Nike Inc. Class B	122,100.00
1,270	Exxon Mobil Corp.	112,966.50
360	Lockheed Martin Corp.	90,982.80
1150	Starbucks Corp.	66,757.50
395	Berkshire Hathaway Inc. Cl. B	56,986.65
555	Visa Inc. Class A	43,317.75
650	Tiffany & Company	41,938.00
45	Alphabet-Google Cl. A	35,610.30
625	Harley Davidson Inc.	33,075.00
230	Hershey Company	25,474.80
525	Coca Cola Company	22,905.75
170	McDonald's Corp.	20,000.50
280	Wyndham Worldwide Corp.	19,885.60
50	Philip Morris International	5,013.00
20	Walt Disney Company	1,919.00
	Stock Market Positions	**1,126,048.15**
	Cash on Hand	**42,973.78**
	Totals	**$1,169,021.93**

II. Assets

This ledger may be best described as a snapshot of the Onyx Investments business, taken immediately after the stock market close on August 29, 2016. The global economy, of course, is dynamic, and each individual stock operates at a different point within its respective business cycle. Apple, for example, is suffering through a lull between iPhone releases, while defense contractor Lockheed Martin is firing on all cylinders. Also, ExxonMobil is an interesting story, in that we have completely sold out of the stock twice, only to aggressively buy it back, in line with the boom and bust energy cycle.

Still, our primary goal remains to snap up shares of productive businesses at reasonable prices, and to hold onto those assets for several years at a time. We are always buying in at the bottom of the market, while also purposefully sidestepping over-inflated asset bubbles and their resulting fallout. As owners, our preference is skewed towards businesses that mint real cash and profits, rather than flash-in-the-pan operations selling hope, dreams, and EBITDA. Apple alone carries $232.9 billion in cash and securities on the books, after racking up $53.4 billion in net income through its fiscal 2015.

Over time, we have built up a diverse portfolio of cash-heavy equities that may outperform the broader market across multiple scenarios. In recession, staples like Altria, Philip Morris, Coca Cola, and McDonald's will still attract consumer and investor dollars. In recovery, the cyclical names Starbucks, Tiffany, Harley-Davidson, and Wyndham Worldwide will lead the market higher. We are even covered in tech, with Apple and Google combining to take up more than 15% of the equity portfolio.

To reiterate, yet again, we are set out to generate a high rate of return for the least amount of risk, while also matching wits against multi-billion dollar institutions, government entities, well heeled private investors, pension funds and complex computer algorithms that operate as

real competition within financial markets. Like a veteran quarterback, I am here to take what the defense gives me, instead of forcing the issue into triple coverage and overvalued stocks. Like Barry Sanders, I don't necessarily know where I will end up, or how I got there, after calling for a designed run. Some things are instinct.

At any moment, Stock X could collapse by 10% in value, which would have us pirouette out of an already established position, put in a buy order for the cheap Stock X, and ultimately head for paydirt. We will sell, when a particular stock is far out of the range of economic reality, or we are looking to harvest gains and reinvest into a more attractive investment. For example, 3M shares financed a United Technologies purchase, which ultimately seeded Lockheed Martin.

Still, we would rather purchase new positions out of cash reserves, instead of selling out. I do regret selling out of industrial conglomerate Danaher at a split adjusted $37.67 (purchase price $28.87) and gaming company Electronic Arts at $51.61 (purchase price $50.99). Danaher, after spinning off Fortive (investors received one share of Fortive for every two shares owned of Danaher), closed out the July 29 trading session at $81.24. Meanwhile, EA shares have also been approaching $80. In these two cases, we should have let the good times roll, instead of losing patience and taking small profits. (In my defense, I rolled the Danaher money into Altria, which is now our top holding).

For now, there is a fire sale on Apple, Tiffany, and Wyndham Worldwide stock relative earnings power, and we have been gradually buying up shares. Earlier this year, we were backing up the truck for Exxon, yet again, amid the latest oil bust, while also building out stakes in Hershey and Harley Davidson. Last month, Hershey and Harley Davidson shares were both the subject of buy-out speculation, which drove the prices of both stocks up by more than 20% in back-to-back sessions.

The Web 2.0 Bubble

The domestic economy appears to be lurching from one bubble to another, in the form of dot-com, housing, commodities, student loans, and now, Web 2.0. These bubbles may be traced back directly to the Federal Reserve Board and its cheap money policies. A 1913 Act of Congress tasked the Federal Reserve with the contradictory dual mandate of managing the economy towards full employment and a stable price level. To do so, the Fed influences interest rates through its discount window, reserve requirements for member banks, and open market transactions, where it trades government securities.

In an unprecedented move, the Federal Reserve slashed its target rate to zero in Q4 2008, amid the credit crisis and housing bust. From there, the Fed did not move to raise rates until December 16, 2015, when it pushed the target rate up by 25 basis points to 0.25-0.50. For the sake of comparison, the Federal funds rate stood at 8% in 1990. Be advised further that Federal Reserve balance sheet has also expanded to an outrageously bloated $4.5 trillion, with officials coordinating plans to flood financial markets with liquidity.

This cheap money policy has forced the invisible hand to take outsized risks. A blue collar, Main Street saver would rather take his chances in the stock market, rather than either making extra mortgage principal payments, or dumping money into savings accounts that earn zero. At the top end, insurers, pension funds, and hedge fund managers are also desperate for yield, and more likely to throw cash at junk.

Web 2.0 stocks, coastal real estate (Vancouver, San Francisco, Miami, etc), and securitized, sub-prime auto loans have emerged as the prime beneficiaries for this speculative capital. Last May, the median price for a single-family home in Vancouver, British Columbia raced past $1 million, despite the fact that the average Vancouver resident makes a bit more than $55,000 per year.

In the stock market, Amazon is nearing its all-time high at $770 per share, or $350 billion in market capitalization. Last year, Amazon turned a mere $596 million in 2015 profits, after grinding through $241 million in 2014 losses. For the sake of comparison, Berkshire Hathaway is also worth $350 billion in market capitalization, while cranking out $24 billion in net income through 2015. Meanwhile, stockjobbers have already set their sights upon a prospective Uber IPO at $70 billion, despite various reports indicating that the ride-sharing company is burning through cash.

This will not end well.

Free Cash Flow, Dividends, Buy Backs, and Growth

Again, we buy into businesses that generate heaps of free cash flow in order to avoid getting swept up into another asset bubble, while also allowing for solid, long-term growth. We remain somewhat indifferent as to whether the underlying corporation returns this cash back to shareholders as dividends, or retains and reinvests the capital back into the business. In either scenario, this cash still belongs to shareholders.

Google and Berkshire Hathaway pay no dividends, while these corporations generated a respective $26 billion and $31.5 billion in operational cash flow through their most recently completed 2015 fiscal years. On the other end of the spectrum, Altria has pledged to pay out 80% of its adjusted earnings per share in dividends.

Apple, for its part, has also committed to returning

$250 billion back to shareholders, in the form of dividends and share buy backs, through March 2018. This move may signal that Apple has run out of real growth opportunities and is content to milk the iPhone for cash. In 2004, Microsoft paid out a one-time, special $3 dividend. In retrospect, this move confirmed that Microsoft has peaked as a story stock, with the company going on to act as a utility hawking upgrades to Windows and Office software every other year.

We do think that capital return policies should strike a balance between generating immediate income for investors, while still allowing for long-term growth. Able managers, such the legendary as Warren Buffett, are better left alone to retain and reinvest all capital at their discretion. Also, corporations like Nike, Starbucks, and Visa may appear to pay out meager dividends, at first glance. Over time, however, growth businesses will raise dividends aggressively, to the point where the effective income yield upon the original investment may very well be above 10% within the next five years.

We are very much cynical towards the idea of stock buy backs. On paper, buying back stock will reduce the number of shares outstanding on the balance sheet, which automatically drives up the earnings per share (EPS) statistic that is a key driver behind share price performance. In reality, however, the majority of corporations simply buy back stock to cancel out stock options granted to high-level executives.

Last February, ExxonMobil suspended its stock buybacks amid a collapse in oil prices and shares of the energy company also trading near multi-month lows at $75. Exxon had spent $210 billion on stock buybacks over the past decade. Of this amount, Exxon repurchased a record $35 billion of its own stock in 2008, at an average price of $81.36. Buybacks, in effect, are a waste of capital, at the top of the market.

Dividend Income

Be advised that, unlike interest payments, corporations are under no legal obligation to pay dividends. Corporations may slash payments, or eliminate dividends altogether, amid sharp business contractions, like the 2008 housing bust and credit crisis.

For Onyx, we are now projecting out $25,998.76 in dividend income over the course of the next year (see figure 2), upon the $1,126,048.15 equity portfolio, which does work out to a 2.31% dividend yield. In this zero-rate environment, we are comfortable with an aggregate yield near 2.5% to balance current income against the potential for capital appreciation. Growth stocks, again, typically pay meager dividends, if any at all.

We have been fully reinvesting all dividend income into purchasing additional shares of stock and will likely continue to do so. In recent years, we have alerted our brokerage to automatically apply dividend payments towards

Figure 2. **Dividend Income**

Description	Qtr. Dividend	Annual Dividend	Market Value	Dividend Yield	5 Yr. Avg. EPS Growth
Altria	$2,260.00	$9,040.00	$270,800.00	3.34	7.35
Apple	855.00	3,420.00	156,315.00	2.19	33.61
Nike	352.00	1,408.00	122,100.00	1.15	14.05
Exxon	952.50	3,810.00	112,966.50	3.37	-9.15
Lockheed	594.00	2,376.00	90,982.80	2.61	-4.13
Starbucks	230.00	920.00	66,757.50	1.38	24.11
Berkshire	-	-	56,986.65	-	13.08
Visa	77.70	310.80	43,317.75	0.72	30.65
Tiffany	292.50	1,170.00	41,938.00	2.79	4.60
Google	-	-	35,610.30	-	11.66
Harley-Davidson	218.75	875.00	33,075.00	2.65	27.27
Hershey	134.09	536.36	25,474.80	2.11	0.73
Coca Cola	183.75	735.00	22,905.75	3.21	-7.95
McDonald's	151.30	605.20	20,000.50	3.03	0.93
Wyndham Wrld.	140.00	560.00	19,885.60	2.82	20.21
Philip Morris	51.00	204.00	5,013.00	4.07	2.42
Disney	7.10	28.40	1,919.00	1.45	19.24
Totals	**$6,499.69**	**$25,998.76**	**$1,126,048.15**	**2.31**	**11.59**

Altria, Nike, and Starbucks stock.

Of the group, ExxonMobil and Altria have generated the most dividend income for Onyx Investments, by far, which falls in line with their historical philosophies and legendary statuses as income producers. Exxon has raised its dividend for 34 consecutive years, even taking quarterly payments from $0.73 to $0.75 per share last April, amid the latest oil glut and bust, when rivals were slashing dividends. At Exxon, conservative financial management that allows for solid dividend increases through all points of the energy cycle dates back to John D. Rockefeller and Standard Oil.

Lastly, Altria is often referenced as the best performing stock in the S&P 500, when breaking the index down to long-term time frames that span decades. Our earliest Altria purchases have more than tripled in value, while the company has also generated tens of thousands of dollars in dividend income that was put to work. As an added bonus, Altria spun off Kraft and Phillip Morris International, in 2007 and 2008, respectively. (We sold Kraft to buy more Altria. We held Phillip Morris for 3 years and sold that position to buy more Altria. We began buying back into Philip Morris earlier this year).

Altria, which was originally purchased as a defensive, dividend income play, ultimately emerged as the best investment made in the history of Onyx Investments.

III. Fixed Expenses

Description	Vendor	Monthly	Annually
Office Space	111 W. Jackson Holdings	$448.72	$5,384.64
Phone, Internet, and Cable	Comcast	154.21	1,850.52
Business Insurance	Liberty Mutual	46.63	559.56
Totals		$649.56	$7,794.72

With time, Onyx Investments has grown to the point where the business all but runs itself. As the proverbial millionaire business next door, we do take special pride in keeping costs low and maximizing efficiencies, which result in higher returns on equity. Our current office lease traces its origins back to the tail end 2007-2009 bust, when nearly 20% of commercial space was vacant.

Last January, I did purchase an Apple iMac computer for $1,699.00. The prior iMac had lasted through nearly one decade of use, before crashing and going obsolete.

IV. Our Vision

I have been running Onyx Investments on a shoestring budget with no employees for several years. This low overhead preserved all-important capital for building out the financial assets that are the oxygen that breathes life into any emerging business, let alone a burgeoning investment empire. Through these early years, company policy was three fold. One: Do Not Lose Money. Two: Do Not Lose Money. Three: Refer to Rule One.

On a nominal, surface level, it may appear as though we are contradicting our own company policy, in that we put money to work within a volatile stock market, instead of stockpiling cash at FDIC insured bank deposits and risk-free treasury securities. In real terms, however, it has been proven that stock market investments offer the best balance of downside risks versus potential rewards, when adjusted for inflation.

A savings account, certificate of deposit, or bond generating next to nothing in interest income, is actually a losing proposition amid an inflationary environment. Even real estate, for all of its admirers, barely outpaces the general inflation rate over the long term. It is impossible for property values to overtake local incomes, without a major correction. Over time, all savers and homeowners have felt the loss of cash purchasing power at the gasoline pump, grocery store, shopping mall, and college admissions department.

Going forward, we will increasingly weigh the merits of capital spending and business acquisitions against stockpiling financial assets and capital preservation at Onyx Investments. Building out a larger office, for example, may prove to be a better investment than simply shoveling cash into more shares of ExxonMobil. I am very well aware of the old cliché and idea that “it takes money to make money.”

I do feel as if these capital allocation decisions will be made for me, as this business will likely grow and evolve to the point where it is impossible for one man to efficiently manage. A larger and productive portfolio may very easily counteract added overhead expenses, where it would still appear as if this business and money machine all but run themselves. With time, we will leverage a strong corporate culture and identity for more connections, sales, assets, and profits.

I do plan to search for larger office space and begin hiring staff over the course of the next year. There will be growing pains with this process, as there were with each and every other major financial benchmark achieved at Onyx Investments. It is exciting to operate on the frontier and to occupy virgin territory with every new dollar earned. For now, I am quickly becoming well versed in the demands of running a one million dollar business. From here, there will be ever-greater responsibilities and expectations, after growing into a multi-million dollar financial conglomerate.

More Money. More [Good] Problems.

V. Appendix

Appendix Part A: Onyx Assets in Three Snapshots

Onyx Investments [Stock Split Adjusted] Assets

As of June 30, 2006**:**

Shares	Description	Market Value
600	ExxonMobil Corporation	$36,810.00
250	Best Buy Company, Incorporated	13,710.00
132	Minnesota Mining and Manufacturing (3M)	10,661.64
200	Berkshire Hathaway Class B	9,129.00
100	United Parcel Service, Inc. Class B	8,233.00
120	Federal National Mortgage Association	5,772.00
250	Coca Cola Company	5,377.50
496	Nike Incorporated Class B	5,022.00
100	Electronic Arts	4,304.00
130	Danaher Corporation	4,180.00
200	Starbucks Corporation	3,776.00
	Stock Market Positions	106,975.94
	Cash on Hand	22,504.00
	Totals	$129,479.94

Onyx Investments [Stock Split Adjusted] Assets

As of July 23, 2009**:**

Shares	Description	Market Value
1,250	ExxonMobil Corporation	$89,512.50
350	Berkshire Hathaway Class B	21,469.00
300	United Technologies Corporation	16,014.64
1,200	Nike, Incorporated Class B	15,342.00
300	Philip Morris International	13,806.00
500	Coca Cola Company	12,295.00
315	Best Buy Corporation	11,689.65
70	Goldman Sachs Group	11,581.50
400	Altria Group	6,964.00
30	Harley Davidson, Incorporated	659.00
	Stock Market Positions	199,332.75
	Cash on Hand	55,694.00
	Totals	$255,026.75

Onyx Investments Assets

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555	Visa Incorporated Class A	43,317.75
650	Tiffany & Company – New York	41,938.00
45	Google – Alphabet, Incorporated Class A	35,610.30
625	Harley Davidson, Incorporated	33,075.00
230	Hershey Company	25,474.80
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20	Walt Disney Company	1,919.00
	Stock Market Positions	1,126,048.15
	Cash on Hand	42,973.78
	Totals	$1,169,021.93

Appendix Part B: Historical Returns

Onyx Investments compared to S&P 500 Index:

Year	Onyx Investments	S&P 500 Index
2004	41.000%	9.000%
2005	19.858%	3.000
2006	15.976%	13.600
2007	22.959%	3.500
2008	4.564%	-37.000
2009	17.063%	26.460
2010	16.271%	12.782
2011	7.872%	-
2012	15.135%	11.404
2013	23.259%	22.840
2014	12.381%	11.391
2015	3.220%	-0.727
2016	8.539%	6.344
Totals	561%	79%

Rest in Peace

Dr. Tommie Lee Jackson

September 19, 1951 – October 22, 2015

My mother died last year after a courageous battle with cancer.
Her spirit will live on through this company and myself.

Kofi Ulysses Bofah

PRESIDENT
ONYX INVESTMENTS

Our First $1 Million