



# **Ursa Financial, LLC**

## Wrap Fee Program Brochure

*This wrap fee program brochure provides information about the qualifications and business practices of Ursa Financial, LLC. If you have any questions about the contents of this brochure, please contact us by email at [help@ursavest.com](mailto:help@ursavest.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 Ursa Financial, LLC is also available on our website at [www.ursavest.com](http://www.ursavest.com). Ursa Financial, LLC's CRD number is: 306491.*

333 1st Street Unit N907  
San Francisco, CA 94105  
855-345-7910  
[www.ursavest.com](http://www.ursavest.com)  
[help@ursavest.com](mailto:help@ursavest.com)

*Registration as an investment adviser does not imply a certain level of skill or training.*

Version Date: 03/18/2024

## GENERAL

### ITEM 1: MATERIAL CHANGES

The material changes in this brochure from the last annual updating amendment on 03/16/2023 of Ursa Financial, LLC are described below. Material changes relate to Ursa Financial, LLC's policies, practices or conflicts of interests only.

- Ursa Financial, LLC has updated its primary address fax number. (Cover Page).

# TABLE OF CONTENTS

General .....	2
Item 1: Material Changes .....	2
Item 4: Advisory Business .....	4
A. Description of the Advisory Firm .....	4
B. Contribution Cost Factors .....	5
C. Additional Fees .....	5
D. Compensation of Client Participation .....	5
Item 5: Types of Clients .....	5
Item 6: Portfolio Manager Selection and Evaluation.....	6
Selecting/Reviewing Portfolio Managers .....	6
Related Persons .....	6
Advisory Business .....	6
Item 7: Client Information Provided to Portfolio Managers.....	11
Item 8: Client Contact with Portfolio Managers.....	11
Item 9: Additional Information.....	12
Disciplinary Action and Other Financial Industry Activities .....	12
Code of Ethics, Client Referrals, and Financial Information .....	13
Item 10: Requirements For State Registered Advisers.....	15

## ITEM 4: ADVISORY BUSINESS

### A. DESCRIPTION OF THE ADVISORY FIRM

Ursa Financial, LLC ("**Ursa**") provides a mobile portfolio management experience to clients under this wrap fee program ("**Program**") as sponsor and portfolio manager via an online mobile app ("**Ursa App**"). Ursa offers clients programmatic advisory and portfolio management services exclusively through the Ursa App. Though its onboarding suitability questionnaire, Ursa seeks to match clients with a starter portfolio and curate a guided investing experience where clients can customize it through their own decisions.

**The Program does not provide comprehensive financial planning, tax planning or legal advice. Clients are encouraged to seek the advice and counsel of the client's own tax, financial, and legal advisers. The Program is not a complete investment program and clients should not use it as the sole component of their investment plan.**

Total Assets Under Management	Annual Fee
All Assets	1.00%

The Program's portfolio management fees ("Fees") are withdrawn directly from the client's account(s) with client's authorization through the client's advisory agreement on a monthly basis. Ursa may also take the fee from a client's account by instructing the custodian to deduct the fee from the assets in the account including by selling a sufficient amount of holdings to cover the fee.

Portfolio management fees are paid in arrears. Ursa uses an average of the daily balance in the client's account throughout the billing period, after taking into account deposits and withdrawals, for purposes of determining the market value of the assets upon which the advisory fee is based. Since the fee is calculated with the average of the daily balance of the account, the fee for the initial period of an engagement and fee for the final period will be prorated based on the funding date and termination date, respectively.

Clients may terminate the agreement without penalty, for full refund of Ursa's fees, within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract immediately through the Ursa App or written notice and fee collection will terminate as of Ursa's receipt of such notice. Other than as provided above, there is no refund of fees for any reason whatsoever.

## B. CONTRIBUTION COST FACTORS

The program may cost the client more or less than purchasing such services separately. There are several factors that bear upon the relative cost of the program, including the trading activity in the client's account, the adviser's ability to aggregate trades, and the cost of the services if provided separately (which in turn depends on the prices and specific services offered by different providers).

## C. ADDITIONAL FEES

Ursa will wrap third party fees (i.e., custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.) for wrap fee portfolio management accounts. Ursa will charge clients one fee, and pay all transaction fees using the fee collected from the client. Accounts participating in the wrap fee program are not charged higher advisory fees based on trading activity, but clients should be aware that Ursa has an incentive to limit trading activities for those accounts since the firm may absorb those transaction costs.

Clients may incur certain other fees not included in the wrap fee and are paid for separately by the client. The Program's Fees do not include our Custodian's fees for non-advisory services in your Account, such as outgoing ACH (withdrawals) and physical copies of brokerage documents (digital copies do not have fees). Please see our Fee Schedule available at [www.ursavest.com/fees](http://www.ursavest.com/fees) for a list of all other fees. These include, but are not limited to, charges imposed directly by a mutual fund or exchange traded fund, fees associated with "step out" transactions if the account uses different custodians or broker-dealers, 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.

## D. COMPENSATION OF CLIENT PARTICIPATION

Neither Ursa, nor any representatives of Ursa, receive any additional compensation beyond advisory fees for the participation of clients in the wrap fee program. However, compensation received may be more than what would have been received if client paid separately for investment advice, brokerage, and other services. Therefore, Ursa may have a financial incentive to recommend the wrap fee program to clients.

## ITEM 5: TYPES OF CLIENTS

Ursa generally offers advisory services to retail clients both individuals and high-net-worth individuals. Ursa requires a minimum account size of \$100, which is specified in the account

onboarding process. If funds are withdrawn and the resulting account balance is below the minimum, Ursa reserves the right to close the account.

## ITEM 6: PORTFOLIO MANAGER SELECTION AND EVALUATION

### SELECTING/REVIEWING PORTFOLIO MANAGERS

Ursa will not select outside portfolio managers for management of this wrap fee program. Ursa will be the sole portfolio manager for this wrap fee program.

Ursa will use industry standards to calculate portfolio manager performance.

Ursa reviews the performance information to determine and verify its accuracy and compliance with presentation standards. The performance information is monthly and is reviewed by Ursa.

### RELATED PERSONS

Ursa and its personnel serve as the portfolio managers for all wrap fee program accounts. This is a conflict of interest in that no outside adviser assesses Ursa's management of the wrap fee program. However, Ursa addresses this conflict by acting in its clients' best interest consistent with its fiduciary duty as sponsor and portfolio manager of the wrap fee program.

### ADVISORY BUSINESS

Ursa provides a mobile portfolio management experience to clients under this Program as sponsor and portfolio manager via the Ursa App. On an ongoing basis, Ursa conducts fundamental research and curates a list of 50 stock recommendations from the S&P 500 index ("**Recommended Stock List**"). Please see Methods of Analysis and Investment Strategies section below for more information on how Ursa researches and selects its Recommended Stock List. Ursa offers clients programmatic advisory recommendations and automated portfolio management services exclusively through the Ursa App. The Ursa App guides clients through onboarding and programmatically builds a portfolio containing a subset of approximately 20 stocks from the Recommended Stock List. Though its onboarding suitability questionnaire, Ursa seeks to match clients with a recommended portfolio and curate a guided investing experience where clients can customize it with a combination of our programmatic recommendations based on their risk tolerance along with their own decisions. **The Program does not provide comprehensive financial planning, tax planning or legal advice nor is a complete investment program. Clients are encouraged to seek the advice and counsel of the client's own tax, financial, and legal advisers.**

To participate in the Program, clients must open a securities brokerage account with Ursa's custodian and provide discretionary authority over that account to Ursa. Brokerage accounts, agreements and order processing will be conducted through DriveWealth, LLC ("**DriveWealth**", "**Custodian**"), an SEC-registered broker-dealer that provides brokerage-related services to Ursa and Ursa's clients. The Ursa App enables clients to create an account on through the Ursa App connecting through DriveWealth's application program interface ("**API**"). All account opening functionalities, including identity verification and compliance approval, are handled digitally through DriveWealth. DriveWealth also provides custody, clearing, and settlement services for Ursa's clients.

Post-portfolio creation, Ursa continues to interact with clients exclusively through the Ursa App. On an ongoing basis, Ursa monitors and adjusts ratings on its Recommended Stock List as well as provide news, insights, updates and research to clients through the Ursa App. Ursa allows and encourages client interaction with the portfolio. However, interaction does not imply the accounts are self-directed. Through the Ursa App, Clients are permitted to indicate if they'd like to "swap" stock positions in their portfolio with other available stocks on the Recommended Stock List. While clients will be able to select and modify their stock positions from the available Recommended Stock List, clients will not be able to directly purchase or sell securities nor determine their portfolio's mix. To assist clients, Ursa programmatically offers stock recommendations to based on risk tolerances, user preferences, in-house research ratings, market conditions, and other factors. Certain clients may chose to enable our "Autopilot" option to automatically execute recommendations following a 2-day grace period after they are offered. Inactive clients will be automatically enrolled in Autopilot after 90 days without logging into the Ursa App to review portfolio. Ursa also offers portfolio rebalancing services quarterly.

As part of Ursa's ongoing fundamental research, it may at its discretion update the Recommended Stock List by recommending a new stock ("**New Stock**") and/or removing an existing stock ("**Old Stock**"). Ursa expects to schedule updates, if any, to its Recommended Stock List on a monthly basis– typically the second Wednesday of the month. If clients currently have the Old Stock in their portfolio, the Ursa App will notify the client that the position must be replaced and will programmatically select a recommended replacement stock ("**Default Option**"). Clients will be able to select a different replacement stock from the Recommended Stock List within at least three days or the position will be liquidated and replaced with the Default Option.

Ursa will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction.

Risk tolerance levels are documented through the Ursa App's onboarding process. **The Program is not a complete investment program and clients should not use it as the sole component of their investment plan.**

Portfolio management accounts participating in the wrap fee program will not have to pay for transaction or trading fees. Ursa will charge clients one fee, and pay transaction fees using

the advisory fee collected from the client. Clients may incur certain other fees are not included in the wrap fee and are paid for separately by the client. The Program's Fees do not include our Custodian's fees for non-advisory services in your Account, such as outgoing ACH (withdrawals) and physical copies of brokerage documents (digital copies do not have fees). Please see our Fee Schedule available at [www.ursavest.com/fees](http://www.ursavest.com/fees) for a list of all other fees. These include, but are not limited to, charges imposed directly by a mutual fund or exchange traded fund, fees associated with "step out" transactions if the account uses different custodians or broker-dealers, 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.

Accounts participating in the wrap fee program are not charged higher advisory fees based on trading activity, but clients should be aware that Ursa has an incentive to limit trading activities for those accounts since the firm absorbs those transaction costs. To address this conflict, Ursa will always act in the best interest of its clients consistent with its fiduciary duty as an investment adviser.

---

## SERVICES LIMITED TO SPECIFIC TYPES OF INVESTMENTS

Ursa generally limits its investment advice to U.S. large cap equities and primarily recommends S&P 500 index equities exclusively. However, Ursa may use other securities as well to help diversify a portfolio when applicable. **The Program is not a complete investment program and clients should not use it as the sole component of their investment plan.**

---

## CLIENT TAILORED SERVICES AND CLIENT IMPOSED RESTRICTIONS

Ursa offers the same suite of services to all of its clients. However, specific client investment strategies and their implementation are dependent upon the client's interaction level and current situation (income, tax levels, and risk tolerance levels). Clients are not permitted to impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs, but may filter their own stock selections for their preferences.

---

## WRAP FEE PROGRAMS

As discussed herein, Ursa sponsors and acts as portfolio manager for this wrap fee program. Ursa manages the investments in the wrap fee program. The fees paid to the wrap account program will be given to Ursa as a management fee.

---

## AMOUNTS UNDER MANAGEMENT



Ursa has the following assets under management:

Discretionary Amounts	Non-Discretionary Amounts	Date Calculated
\$ 9,849,056.00	\$0.00	December 2023

---

## PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Ursa does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

Clients paying a performance-based fee should be aware that investment advisers have an incentive to invest in riskier investments when paid a performance-based fee due to the higher risk/higher reward attributes.

---

## METHODS OF ANALYSIS AND INVESTMENT STRATEGIES

---

### METHODS OF ANALYSIS

On an ongoing basis, Ursa conducts fundamental research and curates a list of 50 stock recommendations from the S&P 500 index ("Recommended Stock List"). From the Recommended Stock List, Ursa guides clients to algorithmically build personalized portfolios based on client preferences, experience level and risk tolerance. Ursa programmatically offers recommendations from its Recommended Stock List to users based on risk tolerance, user preferences, in-house fundamental research, market conditions and other factors. Ursa's methods of analysis include fundamental analysis, cyclical analysis and modern portfolio theory.

**Fundamental analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

**Cyclical analysis** involves the analysis of business cycles to find favorable conditions for buying and/or selling a security.

**Modern portfolio theory** is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various assets.

---

### INVESTMENT STRATEGIES

Ursa recommends long term investing. Investment Recommendations on Ursa's Recommended Stock Lists typically have intended investment horizons of at least a year.

*Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.*

---

## MATERIAL RISKS INVOLVED

---

### METHODS OF ANALYSIS

**Fundamental analysis** concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

**Cyclical analysis** assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold: 1) the markets do not always repeat cyclical patterns; and 2) if too many investors begin to implement this strategy, then it changes the very cycles these investors are trying to exploit.

**Modern portfolio theory** assumes that investors are risk averse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

---

### INVESTMENT STRATEGIES

Long term investing is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

***Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.***

---

## RISKS OF SPECIFIC SECURITIES UTILIZED

Equity investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

***Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.***

---

## VOTING CLIENT SECURITIES (PROXY VOTING)

Ursa will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

## ITEM 7: CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS

All client information material to managing the portfolio (including basic information, risk tolerance, sophistication level, and income level) is provided to Ursa through the Ursa App. Clients are required to promptly update any material changes to their provided information through the Ursa App or by emailing Ursa Help, Ursa's customer support channel, at [help@ursavest.com](mailto:help@ursavest.com) so Ursa will also have access to that information as it changes and is updated.

## ITEM 8: CLIENT CONTACT WITH PORTFOLIO MANAGERS

Ursa's advisory services are provided exclusively through the Ursa App. Through the Ursa App, Ursa collects information about its client's financial situation, goals and objectives through a guided process that offers an appropriate portfolio for the client's needs. Since no investment advice is provided directly from any portfolio managers, Ursa clients should update their information through the Ursa App if their financial condition changes to review alternate investment advice through the App. Ursa relies on the accuracy of the information submitted by clients on the App when proposing a portfolio. The recommended portfolio may not be suitable if the client provided incorrect information or if the information is out of date.

Portfolio holdings, performance and other related information will be available to clients through the App. Clients may communicate with Ursa solely through the Ursa App and Ursa's customer support channel email ("**Ursa Help**") ([help@ursavest.com](mailto:help@ursavest.com)). Information provided by Ursa Help is for informational or general customer support purposes only and is

not investment or financial advice. **Ursa Help cannot and will not elaborate or expand upon any stock or portfolio recommendations provided by the App.**

## ITEM 9: ADDITIONAL INFORMATION

### DISCIPLINARY ACTION AND OTHER FINANCIAL INDUSTRY ACTIVITIES

#### CRIMINAL OR CIVIL ACTIONS

There are no criminal or civil actions to report.

#### ADMINISTRATIVE PROCEEDINGS

There are no administrative proceedings to report.

#### SELF-REGULATORY ORGANIZATION (SRO) PROCEEDINGS

There are no self-regulatory organization proceedings to report.

#### REGISTRATION AS A BROKER/DEALER OR BROKER/DEALER REPRESENTATIVE

Neither Ursa nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

#### REGISTRATION AS A FUTURES COMMISSION MERCHANT, COMMODITY POOL OPERATOR, OR A COMMODITY TRADING ADVISOR

Neither Ursa nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

#### REGISTRATION RELATIONSHIPS MATERIAL TO THIS ADVISORY BUSINESS AND POSSIBLE CONFLICTS OF INTERESTS

Neither Ursa nor its representatives have any material relationships to this advisory business that would present a possible conflict of interest.

---

## SELECTION OF OTHER ADVISERS OR MANAGERS AND HOW THIS ADVISER IS COMPENSATED FOR THOSE SELECTIONS

Ursa does not select third-party investment advisers.

---

## REVIEW AND SELECTION OF CUSTODIAN

Ursa's review and selection of custodians is more limited as a robo advisor. Therefore, Ursa did not evaluate all possible custodians when selecting one for its clients, but rather, limited to a handful of custodians that provided certain service necessary for our business plan. Considerations for our custodian selection include (1) ability to open accounts and transaction on behalf of clients through an online API, (2) ability to transact with fractional shares, and (3) integration and development team support.

All brokerage accounts, agreements and order processing will be conducted through DriveWealth, LLC ("DriveWealth", "Custodian"), an SEC-registered broker-dealer that provides brokerage-related services to Ursa and Ursa's clients.

---

## CODE OF ETHICS, CLIENT REFERRALS, AND FINANCIAL INFORMATION

---

### CODE OF ETHICS

Ursa has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Ursa's Code of Ethics is available free upon request to any client or prospective client.

---

### RECOMMENDATIONS INVOLVING MATERIAL FINANCIAL INTERESTS

Ursa does not recommend that clients buy or sell any security in which Ursa or a related person has a material financial interest.

---

## INVESTING PERSONAL MONEY IN THE SAME SECURITIES AS CLIENTS

From time to time, representatives of Ursa may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of Ursa to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. Ursa will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

---

## TRADING SECURITIES AT/AROUND THE SAME TIME AS CLIENTS' SECURITIES

From time to time, representatives of Ursa may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of Ursa to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, Ursa will never engage in trading that operates to the client's disadvantage if representatives of Ursa buy or sell securities at or around the same time as clients.

---

## FREQUENCY AND NATURE OF PERIODIC REVIEWS

Robo-advisory portfolio management accounts are not reviewed by Ursa, save for automated allocation revisions. Clients are encouraged to update the Ursa App of any change in their objectives, risk tolerance, or other pertinent information.

---

## FACTORS THAT WILL TRIGGER A NON-PERIODIC REVIEW OF CLIENT ACCOUNTS

Robo-advisory portfolio management accounts do not undergo non-periodic review by Ursa, allocations will change in accordance with the portfolio management software utilized by Ursa and changes to the client's profile.

---

## CONTENT AND FREQUENCY OF REGULAR REPORTS PROVIDED TO CLIENTS

Robo-advisory portfolio management clients will receive at least monthly a written report that details the client's account including assets held and asset value, which report will come from the custodian monthly.

---

## ECONOMIC BENEFITS PROVIDED BY THIRD PARTIES FOR ADVICE RENDERED TO CLIENTS

Ursa does not receive any economic benefit, directly or indirectly from any third party for advice rendered to Ursa clients.

---

## COMPENSATION TO NON – ADVISORY PERSONNEL FOR CLIENT REFERRALS

Ursa may enter into written arrangements with third parties to act as solicitors for Ursa's investment management services. Solicitor relationships will be fully disclosed to each client to the extent required by applicable law. Ursa will ensure each solicitor is exempt, notice filed, or properly registered in all appropriate jurisdictions.

---

## BALANCE SHEET

Ursa neither requires nor solicits prepayment of more than \$1,200 / \$500.

---

## FINANCIAL CONDITIONS REASONABLY LIKELY TO IMPAIR ABILITY TO MEET CONTRACTUAL COMMITMENTS TO CLIENTS

Ursa does not have any financial condition that would impair its ability to meet contractual commitments to clients.

---

## BANKRUPTCY PETITIONS IN PREVIOUS TEN YEARS

Ursa has not been the subject of a bankruptcy petition.

## ITEM 10: REQUIREMENTS FOR STATE REGISTERED ADVISERS

Please see the "Recommendations Involving Material Financial Interests" and "Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests" sections above.