

Item 1. Cover Page



X1 Wealth LLC
(dba X1 Wealth)

Part 2A Appendix 1 of Form ADV
Wrap Fee Program Brochure

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March 21, 2023

This wrap fee program brochure provides information about the qualifications and business practices of X1 Wealth LLC (“X1 Wealth”, also referred to throughout as “we”, “us”, “the Adviser”, and “our”). If you have any questions about the contents of this brochure, please contact us at support@x1wealth.co. 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 X1 is also available on the SEC’s website at: www.adviserinfo.sec.gov.

Item 2. Material Changes

X1 Wealth LLC (“X1 Wealth”, “the Adviser”, “we”, “us”, “our”) is required to disclose a summary of material changes in this brochure from our last annual update. Material changes generally relate to X1 Wealth’s policies, practices, or conflicts of interest. Since our first filing of this brochure on December 6, 2022, there are no material changes to report.

If you would like another copy of this brochure, please download it from the SEC website as indicated in Item 1, or you may contact our principal office at support@x1wealth.co.

We encourage you to read this document in its entirety.

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Item 4. Services, Fees and Compensation

Investment Recommendation Services

X1 Wealth LLC is an internet investment adviser and provides investment advisory services to individual clients who reside in the USA, through an app that X1 Inc. (X1 Wealth LLC's parent company, also referred to as "Parent Company") owns and operates (the "App"). X1 Wealth has a licensing agreement with X1 Inc. for the investment module within the App and X1 Wealth manages and controls the features available in this portion of the App. The investing features in the App allow users to buy a limited universe of stocks and exchange-traded funds ("ETFs") using credit card reward points instead of cash. By offering this service, X1 Wealth provides clients an alternative method to investing in fractional shares of publicly traded companies and ETFs.

X1 Wealth considers a client's investment objective when recommending individual stocks and ETFs to purchase. A client's investment objective is determined using a risk profile questionnaire that must be completed for each account before making any investments through the App. Based on these responses, we will place the client into an appropriate risk category. Although we review client risk profiles before recommending investments, we do not guarantee nor ensure the success of any of the recommended investments. We rely on the individual responses to the risk profile questions to provide investment recommendations to our clients. Clients must provide accurate, complete, and truthful answers to the risk profile questions.

X1 Wealth does not have discretion over Client trades and Clients can choose to use the App to trade certain individual equities and ETFs that were not recommended based on their risk profile. We monitor our Clients' account holdings against each individual Client's risk profile and on a quarterly basis will provide trade recommendations to clients whose holdings are out of line with their risk profile. Additionally, we evaluate our recommendations for Clients on at least a monthly basis, and advise our Clients when those recommendations have changed. We also advise Clients as to whether individual equities or ETFs that we have evaluated are within the Client's risk profile. From time to time, we may provide additional investment advice in the form of educational material or specific buy or sell recommendations that arise due to changing market conditions.

X1 Wealth engages DriveWealth, LLC ("DriveWealth"), an SEC registered broker-dealer and member of FINRA, to provide execution and clearing services to its clients. All client trades, including buying or selling a select universe of investments that were not recommended and were selected by the client, are placed through DriveWealth. Clients can only access our investment advisory services through the App; however, clients can use other areas of the App for non-investment advisory services that are provided and managed by our Parent Company.

X1 Wealth does not offer any legal or tax advice with respect to its investment recommendations, and accordingly, the Adviser strongly urges individuals to work with their attorneys, accountants, or other professionals regarding their financial and personal situations. Investments in ETFs, equities, and other types of securities are not insured by the Federal Deposit Insurance Corporation or by any other federal government agency. ETFs and equities are not deposits or other obligations of, or guaranteed by, X1 Wealth or any affiliate. Investments may lose value, including possible loss of principal.

X1 Wealth LLC, a Delaware limited liability company and wholly owned subsidiary of X1 Inc, was founded in 2022. The Adviser's principal place of business is in San Francisco, California.

Fees and Compensation

X1 Wealth does not directly bill Clients for the investment advisory services we provide. Rather, our Parent Company will compensate X1 Wealth for the investment advisory services X1 Wealth provides to clients who are X1 Cardholders. X1 Cardholders are not charged any additional fees for becoming X1 Wealth clients and receiving X1 Wealth's investment advisory services.

In the X1 Wealth Wrap Program, the fee paid by the Parent Company to X1 Wealth on behalf of our mutual clients is a single advisory fee that covers both investment advice and the execution of transactions. The Parent Company currently pays X1 Wealth an annual wrap fee of \$0.10 for each account that X1 Wealth provides its investment advisory services. Neither X1 Wealth nor our Parent Company receives any compensation that is tied to the transactions that take place in a Client's account. Our Parent Company is not an investment adviser and does not receive any compensation related to the investment advice provided by X1 Wealth. At no time will the wrap fee be charged to clients of X1 Wealth.

Additional Fees

Clients are responsible for some additional fees that may be charged by DriveWealth. These fees are called Pass-through Fees, and they are: an SEC fee (sell side only), TAF Fee (sell side), and ADR Fee.

DriveWealth may also charge other fees (different from the Pass-through Fees) for providing additional services to Clients. Clients will pay those other fees directly to DriveWealth. Other fees may include fees for transferring a brokerage account from DriveWealth to another brokerage firm, charges for miscellaneous requests such as requesting a physical copy of a trade confirmation or requesting a tax document to be faxed or sent by regular mail, as well as charges for withdrawal or other administrative requests, such as ACH transfers (outgoing) and wire transfers. To learn more about the different fees that could be charged to Clients, please see the fee disclosures DriveWealth provides upon opening a brokerage account with them.

Clients who invest in ETFs may also indirectly pay management fees or other expenses to the purchased ETF. ETFs pay their own management, transaction, and administrative fees and expenses, and those fees and expenses are indirectly borne by the shareholders in those investment vehicles. Depending on the activities or services (e.g., transferring an account to another broker, requesting physical copy of a trade confirm, and so on), the broker could also charge you other fees. These additional fees are deducted directly by the ETF and reflected in its net asset value.

DriveWealth does not allow clients to maintain accounts directly with DriveWealth. In the event that your X1 credit card account is closed, you may choose to hold, liquidate, or transfer the investments in your X1 Wealth account.

If you choose to liquidate, the proceeds will be transferred to your connected bank account. Any fees that a connected bank account charges will be borne by you. If you choose to transfer the investments and assuming that transfer instructions are received in good order by DriveWealth, the transfer will occur within 30 business days. Clients can only transfer whole shares to other brokerages; fractional shares must be liquidated. Any fees charged by DriveWealth or the receiving institution in connection with a transfer will be borne by you.

Other Important Considerations

- The investment products available for purchase with X1 Wealth can generally be purchased by you outside of your X1 Wealth account, through broker-dealers or other investment firms not affiliated with our Parent Company.
- Because you will pay to purchase equity securities and ETFs based on a point-to-dollar value conversion of your X1 Card credit card points, the percentage of a share that you will receive for those points is highly variable. Because the point value is static while the value of equity securities and ETFs fluctuates, the fraction of a share that a point will purchase in each transaction will vary. Details on our point conversion rates can be found below:

X1 Rewards Points	Conversion Rate	Cash Value
1	\$0.007	\$0.007
1,000	\$0.007	\$7.00
10,000	\$0.007	\$70.00

- As an X1 Cardholder, you receive a more favorable point conversion rate of \$0.01 per point when you redeem your points for credit with eligible merchants. This is because our Parent Company fully bears the cost of point redemptions, and through business partnerships with its selected merchants, is able to work with that merchant and attempt to negotiate more favorable rates. When points are redeemed for cash back options, the conversion rate is lower because our Parent Company bears the full cost associated with these redemptions and is unable to pass any of the cost on to its merchant partners.

Our Parent Company offers its clients the same conversion rate for equity and ETF purchases through X1 Wealth as it offers for its cash back program. Since our Parent Company must also pay the wrap fee to us when cardholders choose to redeem their points for investments rather than for cash back, our Parent Company has no financial incentive to encourage clients to invest with X1 Wealth over the cash back program.

X1 Wealth has no control over the point conversion rates that are set by our Parent Company and X1 Wealth does not receive any benefit nor cost savings tied to the different conversion rates that our Parent Company offers to its cardholders.

Item 5. Account Requirements and Types of Clients

X1 Wealth does not require any minimum account size. Our services are designated and intended only for individuals who reside in the USA. Since securities are purchased through the App by converting X1 Card credit card points, our investment advisory services are limited to individuals who have an active X1 credit card account and a connected outside bank account.

Item 6. Portfolio Manager Selection and Evaluation

X1 Wealth neither manages any client assets nor selects portfolio managers for clients. Recommendations are limited to a select set of individual equities and exchange-traded funds (ETFs). The selection of equities is based on a number of criteria or factors, including but not limited to price/earnings ratio, gross margins, market capitalization, and client investment goals. For ETFs, X1 Wealth reviews the composite assets, trading volume, performance, liquidity fees and expenses, and underlying index. For both individual equities and ETFs, the criteria specified will be reviewed in conjunction with client-provided information to determine what X1 Wealth recommends. No single factor will determine if a security should be retained, removed, or added to our recommendations; however, certain factors may carry more weight than others in the final analysis. We use information or data that is available to the public when selecting the investments we recommend.

We do not have any authority to vote on client securities, and do not participate in shareholder litigation, including, but not limited to, class action lawsuits.

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, and the general economic environment as a whole.

ETF performance may not exactly match the performance of the index or market benchmark that the ETF is designed to track because 1) the ETF will incur expenses and transaction costs not incurred by any applicable index or market benchmark; 2) certain securities comprising the index or market benchmark tracked by the ETF may, from time to time, temporarily be unavailable; and 3) supply and demand in the market for either the ETF and/or for the securities held by the ETF may cause the ETF shares to trade at a premium or discount to the actual net asset value of the securities owned by the ETF. Certain ETF strategies may from time to time include the purchase of fixed income, commodities, foreign securities, American Depositary Receipts, or other securities for which expenses and commission rates could be higher than normally charged for exchange traded equity securities, and for which market quotations or valuation may be limited or inaccurate. For more information regarding ETF risks please see Other Risk of Loss, below.

Other Risk of Loss

Market Risk

Economic, political, and issuer-specific events will cause the value of securities, and any underlying funds that own them, to rise or fall. The value of an investment will fluctuate, and consequently, there is the risk that a client may lose money.

Correlation Risk

There is the risk that correlations between individual securities may increase, resulting in a decrease in the risk reduction benefits of diversification. In particular, there is a tendency for correlations of different types of risky assets such as stocks to increase during periods of financial stress. As such, portfolio losses can be more severe than would otherwise be the case if correlations had remained at lower levels.

ETF Risks

ETF Performance may not exactly match the performance of the index or market benchmark that the ETF is designed to track because 1) the ETF will incur expenses and transaction costs not incurred by any applicable index or market benchmark; 2) certain securities comprising the index or market benchmark tracked by the ETF may, from time to time, temporarily be unavailable; and 3) supply and demand in the market for either the ETF and/or for the securities held by the ETF may cause the ETF shares to trade at a premium or discount to the actual net assets value of the securities owned by the ETF. Certain ETF strategies may from time to time include the purchase of fixed income, commodities, foreign securities, American Depositary Receipts, or other securities for which expenses and commission rates could be higher than normally charged for exchange traded equity securities, and for which market quotations or valuation may be limited or inaccurate.

Clients should be aware that to the extent they invest in ETF securities they will pay two levels of advisory compensation – subscription fees that we charge plus any management fees charged by the issuer of the ETF.

An ETF typically includes embedded expenses that may reduce the fund's net asset value, and therefore directly affect the fund's performance and indirectly affects a Client's portfolio performance or an index benchmark comparison. Expenses of the fund may include ETF management fees, custodian fees, brokerage commissions, and legal and accounting fees. ETF expenses may change from time to time at the sole discretion of the ETF issuer. ETF tracking error and expenses may vary.

Software Risk

X1 Wealth and our affiliates use software to deliver our services and have implemented procedures for designing, developing, and testing this software before putting it into production. We and our affiliates also periodically monitor the behaviors of such software; however, it is possible that such software may not always perform exactly as intended or as disclosed on our website, the App, or

other disclosure documents that X1 Wealth provides to our prospective and current clients. Nevertheless, X1 Wealth and our affiliates will continuously strive to monitor, detect, and correct any software that does not perform as expected or disclosed.

Foreign Securities and Currency Risk

Some of the recommended ETFs may invest in foreign securities. The prices of foreign securities and the ETFs that invest in them may decline or fluctuate because of (a) economic or political actions of foreign governments, and/or (b) less regulated or liquid securities markets. ETFs that hold foreign securities may also be exposed to foreign currency risk (the risk that the currencies in which these securities are denominated decline in value against the U.S. dollar).

Cybersecurity Risk

X1 Wealth and our affiliates, as well as service providers, are subject to risks associated with a breach in cybersecurity. Cybersecurity is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs, and data from cyber-attacks and hacking by other computer users, and to avoid the resulting damage and disruption of hardware and software system, loss or corruption of data, and/or misappropriation of confidential information. In general, cyber-attacks are deliberate, but unintentional events may have similar effects. Cyber-attacks may cause losses to Clients by interfering with the processing of transactions or sabotaging trading. While we and our affiliates have established business continuity plans, incident response plans, and systems designed to prevent cyber-attacks, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified. Similar types of cybersecurity risks also are present for issuers of equities in which clients invest, which could result in material adverse consequences for such issuers and may cause a client's investment in such equities to lose value.

Technology Risk

X1 Wealth and our affiliates depend heavily on information technology, telecommunications, and other operational systems. These systems may fail to operate properly or become disabled because of events or circumstances beyond the Adviser's control. In this event, it may be possible that access to systems will be limited.

Business, Terrorism, and Catastrophe Risk

Clients will be subject to the risk of loss arising from exposure that may incur, indirectly, due to the occurrence of various events, including hurricanes, earthquakes, and other natural disasters, terrorism, and other catastrophic events such as a pandemic. These catastrophic risks of loss can be substantial and could have a material adverse effect on the Adviser's business and services to clients.

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.

Item 7. Client Information Provided to Portfolio Managers

X1 Wealth provides investment recommendations to clients through the App and does not use third party portfolio managers. Before or after account opening, clients provide their full name, physical residence address, date of birth, social security number, and occupation. In addition, we also collect profile information which includes but is not limited to risk tolerance, investment time horizon, and certain financial information in order to create an appropriate risk profile for each client account.

X1 Wealth will ask clients to confirm this information on an annual basis. On a periodic basis, clients may also be requested to review and update information they previously provided.

Item 8. Client Contact with Portfolio Managers

Clients or prospective clients may contact us by emailing support@x1wealth.co. X1 Wealth offers investment advice solely through the App and does not offer investment advice via telephone or email.

Item 9. Additional Information

Disciplinary Information

X1 Wealth and our management have not been involved in any legal or disciplinary events in the past ten years that would be material to a client's or prospective client's evaluation of its advisory business or management integrity.

Other Financial Industry Activities and Affiliations

Neither X1 Wealth nor any of our management is:

- registered, or has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer
- registered, or has an application pending to register, as a futures commission merchant, commodity pool operator, a commodity-trading adviser, or an associated person of the foregoing entities
- related to a broker-dealer, municipal securities dealer, or government securities broker or dealer
- related to an investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company, hedge fund, or offshore fund)
- other investment adviser or financial planner
- banking or thrift institution
- accounting firm

- law firm
- insurance company or agency
- pension consultant
- real estate broker or dealer
- sponsor or syndicator of a limited partnership

X1 Wealth does not recommend or select other investment advisers for our clients and we do not have any business relationships with other investment advisers that can create a material conflict of interest.

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

X1 Wealth has adopted a written code of ethics (the “Code of Ethics”), pursuant to Rule 204A-1 under the Investment Advisers Act of 1940. The Code of Ethics is applicable to all employees and, among other things, requires us and our employees to act in our clients’ best interests and abide by all applicable regulations.

The Code of Ethics also describes rules surrounding personal securities transactions. Under Rule 204A-1, certain provisions of the Code of Ethics apply only to X1 Wealth employees who are considered “access persons”. These access persons are required to report certain personal securities transactions and holdings. X1 Wealth’s restrictions on personal securities trading apply to employees, as well as employees’ family members living in the same household. The Code of Ethics also requires employees to pre-clear and report their business-related gifts and entertainment, and their outside business activities.

A copy of X1 Wealth’s code of ethics is available upon request at support@x1wealth.co.

Review of Accounts

X1 Wealth monitors our client accounts on a periodic basis and will provide trade recommendations to clients whose holdings are out of line with their risk profile. Under no circumstance will X1 Wealth exercise discretionary trading authority on behalf of our clients and therefore the final decision on whether or not to follow our recommendations rests with our Clients.

Clients receive statements for their X1 Wealth accounts on a monthly basis through the App and are able to monitor their own account activity through the App.

Client Referrals and Other Compensation

X1 Wealth does not directly compensate individuals or entities for referring new clients.

Financial Information

X1 Wealth has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to provide investment advisory services to current or prospective clients.