



FORM ADV Part 2A

Client Brochure

WEBULL ADVISORS LLC

200 CARILLON PARKWAY

ST PETERSBURG, FL

33716

UNITED STATES

NOVEMBER 02, 2023

*This brochure provides information about the qualifications and business practices of Webull Advisors LLC ("Webull Advisors" or the "Advisor"), an investment adviser registered with the United States Securities and Exchange Commission ("SEC"). The information in this brochure was prepared by the Advisor which is solely responsible for the content. Neither the SEC nor any state securities regulator has approved or verified the information contained in this brochure, and the mere fact of registration with the SEC in no way implies that the adviser has any particular level of skill or training to carry out its business.*

*If you have any questions about this brochure, please email Sara Schwartz at: [sara.schwartz@webull-us.com](mailto:sara.schwartz@webull-us.com).*

*Additional information about Webull Advisors is also available on the SEC's website at: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).*

## **Item 2: Statement of Material Changes**

This filing has been amended to include the following changes:

**March 30, 2023:** Items 4, 5, 6, 8, 11e, 12, 13, and 18 have been updated to reflect the commencement of business activities.

**May 08, 2023:** Item 5 has been updated to reflect no longer charging a minimum monthly fee. Item 7 has been updated to reflect lowering the account minimum from \$500 to \$100.

**November 02, 2023:** Item 1(D) was updated to reflect the current wrap fee program structure. Item 8(A) was updated to more clearly reflect the relationship between Webull Advisors LLC and the Portfolio Managers.

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#### **Item 4: Advisory Business**

##### **A. Background**

Webull Advisors LLC (“Webull Advisors” or the “Advisor”) is a Delaware domiciled Limited Liability Company and an SEC-registered investment advisor. Webull Advisors maintains its principal office at 200 Carillon Parkway, St Petersburg, FL 33716.

Webull Advisors is a wholly owned subsidiary of Webull Holdings (US) Inc., a Delaware domiciled holding company which is a wholly owned subsidiary of Webull Corporation, a Cayman registered company. Webull Holdings (US) Inc. is also the parent company of Webull Financial LLC (CRD #289063)(“Webull Financial”), Webull Securities (US) LLC (“Webull Securities”), Webull Technologies Inc (“Webull Technology”), and Water Castle Holdings LLC.

##### **B. Advisory Services**

Webull Advisors offers investment advisory services to individual clients on a fully discretionary basis. This means the Advisor is authorized to trade within each client account to maintain the target investment allocation without client consent for each trade. The Advisor provides these “robo-advisory” portfolio management services via Webull Technology Pte Ltd.’s mobile application (the “app”).

To participate, clients must enter into a Webull Advisors Customer Agreement and Webull Financial Customer Brokerage Agreement (collectively, “Advisory Agreement”), which provides full discretionary authority to Webull Advisors to manage the client’s assets. Client accounts are opened and maintained at Webull Financial pursuant to the Advisory Agreement.

Webull Advisors uses model portfolios provided by an unaffiliated portfolio management firm. The type of investment advice offered is limited to those types of investments chosen by the portfolio management firm. The current portfolios range from conservative to maximum growth and primarily utilize Exchange Traded Funds (“ETFs”) and cash positions. See Item 8: Methods of Analysis & Investment Strategies for more information.

##### **C. Tailored Services and Investment Restrictions**

Webull Advisors uses a Risk Tolerance Questionnaire (“RTQ”) to obtain client profile information including a client’s attitude towards risk, investment objectives, and time horizon. Based on this information, Webull Advisors will recommend an investment strategy based on one of six model portfolios with risk and potential return characteristics deemed most aligned with client’s scoring on the RTQ. Clients can select the proposed strategy or a strategy that is one risk level below or one risk level above the recommendation. The model portfolios are provided by one or more unaffiliated portfolio management firms (each, a “Portfolio Manager”). The current model portfolios range from conservative to maximum growth and primarily utilize Exchange Traded Funds (“ETFs”) and cash positions. Neither Webull Advisors nor any of its affiliates pays any compensation to any Portfolio Manager in connection with Webull Advisors’ use of their model portfolios.

Robo-advisory services may not be appropriate for everyone. Clients should be aware that automated tools have certain limitations. Webull Advisors’ automated tools use predefined algorithms that are dependent on user input and do not consider unique circumstances. The usefulness of the results is limited by the information provided by the user. The Advisor’s recommendation could be materially impacted if a client provides inaccurate information or fails to update their information when it changes. Webull Advisors does not offer financial planning or other comprehensive or individualized investment advisory services. Clients should consider these limitations when deciding if a robo-advisory account is right for them.

##### **D. Wrap Fee Programs**

The Advisor offers a wrap fee program.

##### **E. Assets Under Management**

As of October 31, 2023, Webull Advisors has \$15,720,845 in AUM.

#### **Item 5: Fees and Compensation**

##### **A. Fees for Advisory Services**

Webull Advisors charges an annualized advisory fee of 0.20% on all assets under management, billed monthly.

The advisory fee is non-negotiable. At the Advisor's discretion the fee may be reduced by discounts or other promotions.

#### **B. Fee Billing**

Webull Advisors' advisory fee is calculated based on the client's account balance at the close of each day, accrued daily, and deducted from the clients' account in arrears no later than the 10<sup>th</sup> business day of the following month. If there is not enough cash in the account to cover the fee, Webull Advisors will rebalance the client's account to generate enough cash to satisfy the fee obligation.

Clients may not choose an alternative billing method.

#### **C. Other Fees and Expenses**

Client accounts may incur ancillary charges (for items such as wire transmittal, insufficient funds, overnight mailings, etc.) from the affiliated broker-dealer, Webull Financial. Webull Financial does not receive any commissions on transactions in the accounts of clients of Webull Advisors, and Webull Financial does not charge clients any fees for custodial services in respect of client assets. See Item 12: Brokerage Practices for more information.

The Portfolio Managers that provide the model portfolios in which clients' assets may be invested do not charge clients a management fee in connection with the clients' investments in their model portfolios. However, the model portfolios generally include shares of the Portfolio Manager's proprietary ETFs, which have embedded fees and expenses payable by the fund to the Portfolio Manager or an affiliate thereof. These fees and expenses reduce the fund's net asset value, and therefore directly affect the fund's performance and indirectly affect individual clients' portfolio performance.

#### **D. Advance Payment of Fees and Termination**

Webull Advisors' advisory fee is charged in arrears and may not be paid in advance. If an account is terminated before the end of the month, a pro-rated fee will be assessed at the time of account closure.

#### **E. Compensation for Sale of Securities**

Webull Advisors does not buy or sell securities or other investment products for its own account and does not receive any compensation for securities or investment transactions in any investment account.

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

Webull Advisors does not charge performance-based fees. The fees charged by the Advisor are described in Item 5 – Fees and Compensation and are not based upon capital appreciation.

### **Item 7: Types of Clients**

Webull Advisors provides investment advisory services to individual clients within the United States in taxable and non-taxable accounts.

The minimum amount required to open and maintain an account is \$100. Clients must deposit an initial amount greater than the minimum and cannot withdraw an amount that would bring the account balance below the minimum.

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

#### **A. Methods of Analysis & Investment Strategies**

Client accounts are managed pursuant to each client's Advisory Agreement. Webull Advisors offers investment portfolios that are constructed and updated by one or more Portfolio Managers pursuant to the terms of licensing agreements between Webull Advisors and the applicable Portfolio Manager. Webull Advisors does not determine or select any of the assets comprising the model portfolios.

The model portfolios are almost entirely composed of ETFs owned and managed by the applicable Portfolio Manager and its affiliates that make payments to the Portfolio Manager ("Proprietary ETFs"). Given that the Portfolio Manager benefits financially from investments made in Proprietary ETFs, they have a conflict of interest in that there is an incentive for Portfolio Managers to favor Proprietary ETFs in the model portfolios which may have higher fees and expenses, lower ratings, or have inferior performance compared with other ETFs in the market.

When model portfolios are updated by the Portfolio Manager, such updates are delivered to Webull Advisors along with other authorized users of the Portfolio Manager's model portfolios. These updates may be delivered to Webull Advisors after such updates are delivered to other users of the Portfolio Manager's model portfolios. Webull Advisors rebalances client portfolios based on the updates provided, subject to Webull Advisors' discretion.

Webull Advisors currently offers investment strategies based on State Street Global Advisors ("SSGA") Active Asset Allocation ETF model portfolios and Strategic Asset Allocation ETF model portfolios. These actively managed portfolios trade to capitalize on evolving market conditions, with the goal of outperforming their benchmarks over a full market cycle. There are 6 active and 6 strategic model portfolios provided for a range of investment needs, each with a different balance of fixed income and equity, moving higher in both expected return and risk from Conservative to Maximum Growth. Clients with taxable retail accounts are matched to an active portfolio strategy, while clients with managed IRAs are matched to a strategic portfolio strategy. The active portfolio strategies are rebalanced 12-20 times a year and the strategic portfolio strategies are rebalanced once a year on average. The model portfolios are:

Conservative – target allocation 80% Income, 20% Equity

Moderate Conservative – target allocation 60% Income, 40% Equity

Moderate – target allocation 40% Income, 60% Equity

Moderate Growth – target allocation 25% Income, 75% Equity

Growth – target allocation 10% Income, 90% Equity

Maximum Growth – target allocation 2% Income, 98% Equity

#### **B. Material Risks Associated with the Investment Strategies**

**All investing involves risk of loss that clients should be prepared to bear.**

Webull Advisors makes no assurance that the objectives of the portfolios will be achieved. Investment in these portfolios involves risk, including the risk of a total loss of principal. While the use of diversified investment vehicles, such as ETFs, mitigates risk compared to investing in individual securities, it cannot completely eliminate this risk.

Described below are some of the risks associated with investing. Other risks may apply that are not described here.

**Market Risk:** Client investments are directly impacted by market conditions. There is a risk that the value of securities owned by an investor may go down, sometimes rapidly or unpredictably, due to factors outside of Webull Advisors' control.

**Asset Concentration Risk:** If a client's portfolio is heavily weighted in a particular asset class, the overall performance may be adversely affected if that asset class underperforms the market. If a client's portfolio excludes or has a low weight in a particular asset class that outperforms the market, the client's investments may underperform relative to the overall market.

**Correlation Risk:** There is a risk that, while the Model Manager tries to construct diversified portfolios, unrelated asset classes may exhibit similar price changes in similar directions, which may adversely affect a client's account.

**Liquidity Risk:** A client might be unable to sell a security at an advantageous time or price, or at all, if the market is illiquid for that security. An illiquid market means the executing broker-dealer might have difficulty finding a buyer.

**Inflation and Interest Rate Risk:** Many types of investments typically decline in value because of an increase in interest rates. Inflation often leads to higher interest rates, raising the cost of capital and reducing corporate profits resulting in slowing growth or a recession.

**Advisory Risk:** Webull Advisors makes no guarantee that the results of any advice or investment decisions will achieve the intended objectives of any recommended investment strategy. There is no guarantee that any particular asset allocation will provide a specified return. The quality and applicability of the investment advice

provided by Webull Advisors is limited to the information provided by clients and could be severely impacted if a client provides inaccurate information or fails to promptly update their information.

**Software and Algorithm Risk:** Webull Advisors provides investment advisory services entirely over the internet through an app. Although Webull Advisors thoroughly designs, develops, and tests the software before launching the software into production with client accounts, there is a risk that the software may not perform as intended and updates to the software may have unintended consequences. There is also a risk that the algorithms developed by Webull Advisors may not perform as intended.

**Security Risk:** Client accounts are susceptible to breaches in cybersecurity given the involvement of technology in the Webull Advisors platform. Webull Advisors has established policies and procedures to reasonably reduce the risks of cyber incidents, however, there is no guarantee that these policies and procedures will prevent a cyber incident from occurring. A cyber incident may result from either intentional attacks or unintentional events.

**Regulatory Risk:** Investment performance may directly or indirectly be affected by government legislation or regulation, which may include, but is not limited to changes in investment adviser or securities trading regulation; change in the US government's guarantee of ultimate payment of principal and interest on certain government securities; and changes in the tax code that could affect interest income, income characterization, and/or tax reporting obligations.

**Tax Risk:** Webull Advisors does not offer tax advice or engage in tax planning. In certain circumstances a client may incur a taxable event without a cash distribution. At times a client may incur a wash sale in which a security is sold at a loss and subsequently repurchased within 30 days; the client won't be able to claim the losses on their tax return.

**Credit Risk:** There is risk that an investor could lose money if the issuer or guarantor of a fixed income security is unable or unwilling to meet its financial obligations.

**Potentially High Levels of Trading Risk:** Webull Advisors' rebalancing methodology may lead to high levels of trading. Furthermore, high levels of trading could result in a possible bid/ask spread expense, trade executions that may occur at prices beyond the current bid/ask spread if a quantity demanded exceeds quantity available at the bid/ask price, and unforeseen trading errors.

**ETF Risk:** Clients who hold fractional shares of ETFs in their portfolios must be aware that Webull Advisors is unable to transfer fractional shares in-kind to outside brokerage firms. This requires a client to either liquidate the shares or purchase enough to make a whole share to transfer. ETFs typically include embedded fees and expenses that may reduce the fund's net asset value, and therefore directly affect the fund's performance and indirectly affect a client's portfolio performance.

**Risk of Full Account Liquidations:** When a client requests to liquidate their holdings, Webull Advisors will proceed in an orderly and efficient manner to process the request. A client should consider that liquidating assets may result in tax consequences that should be discussed with a tax advisor.

### C. Other Risks

There are additional risks and uncertainties an investor should consider, including but not limited to: credit risk, emerging market risk, operational risk, and brand and reputational risk. There also may be risks that we may be unaware of or that we currently see as immaterial but may impact your investment.

### Item 9: Disciplinary Information

Webull Advisors and its supervised persons have not been involved in any legal or disciplinary events that are material to a client's or potential client's evaluation of our advisory business or the integrity of the Advisor's management.

### Item 10: Other Financial Industry Activities and Affiliations

Webull Advisors is a wholly owned subsidiary of Webull Holdings (US) Inc. ("Webull Holdings"), a Delaware domiciled holding company which is a wholly owned subsidiary of Webull Corporation, a Cayman registered company. Webull Holdings is also the parent company of Webull Financial LLC (CRD #289063) ("Webull Financial"), Webull Securities (US) LLC ("Webull Securities"), Webull Technologies Inc ("Webull Technologies"), and Water Castle Holdings LLC.

In order to perform various services, such as customer service and back-office functions, Webull Advisors entered into a Shared Services Agreement with Webull Technologies.

#### A. Registered Broker-Dealer or Registered Representative

Webull Financial is an SEC-registered broker-dealer and FINRA member and is the broker-dealer and custodian for all client accounts. Webull Securities, which currently does not provide any services for Webull Advisors, has a FINRA membership application pending.

#### B. FCM, CPO, CTA, or Associated Person

Webull Financial has an application pending before the National Futures Association (“NFA”) to be a non-clearing futures commission merchant (“FCM”). Webull Advisors has no relationships, activities, or affiliations with a commodity pool operator (“CPO”), commodity trading advisor (“CTA”), or Associated Persons of the foregoing entities.

#### C. Material Business Relationships with Certain Related Persons

Webull Advisors’ relationship with Webull Financial is material to its advisory business. Webull Financial is the custodian for Webull Advisors’ clients’ accounts. As custodian, Webull Financial acts on instructions provided by Webull Advisors and does not make any investment decisions in respect of client accounts. A conflict of interest exists in that Webull Financial receives payment for order flow from trades initiated by Webull Advisors in client accounts. An increase in trade volume provides an increase in payment to Webull Financial. Given that the parent company of both affiliates, Webull Holdings, derives a portion of its revenues from Webull Financial’s brokerage operations, the compensation for trades placed by Webull Advisors through Webull Financial ultimately benefits both parties. Webull Advisors does not consider the payment for order flow provided to Webull Financial when determining portfolio strategies or individual trades. As mentioned in Item 12: Brokerage Practices, Webull Advisors directs all trades through Webull Financial.

Webull Financial generates revenue on all cash held in brokerage accounts. This benefits the parent company, and by extension, Webull Advisors. Webull Advisors charges a flat fee on all assets under management whether invested in securities or uninvested cash. Client fees for advisory services are not reduced in any way based on any interest revenue generated by Webull Financial. Therefore, the Advisor may have a financial incentive for clients to have uninvested cash given their relationship with Webull Financial. To mitigate this conflict of interest, Webull Advisors relies on the Model Manager’s models to determine the amount of uninvested cash in client accounts and has established a method to automatically rebalance client account that drift from the target allocation.

#### D. Recommendation and Selection of Other Investment Advisers

Webull Advisors will not make recommendations or assist in the selection of other investment advisers.

### **Item 11: Code of Ethics, Participation or Interest in Customer Transactions and Personal Trading**

#### A. Code of Ethics

Webull Advisors recognizes and believes that (i) high ethical standards are essential for its success and to maintain the confidence of its clients; (ii) its long-term business interests are best served by adherence to the principle that the interests of customers come first; and (iii) it has a fiduciary duty to its customers to act solely in their best interests. All personnel of the Advisor must put the interests of the Advisor’s customers before their own personal interests and must act honestly and fairly in all respects in dealings with clients.

Webull Advisors has adopted a Code of Ethics (the “Code”) pursuant to the Advisers Act Rule 204A-1 that sets forth the Advisor’s ethical standards and governs the business conduct of the Advisor and persons associated with the Advisor. The Code describes the Advisor’s policies regarding confidential customer information and regulates personal trading activity. Securities holdings and transactions of access persons and their immediate family members are reviewed to determine compliance with the requirements of the Code. The Code also contains other restrictions and reporting requirements designed to limit personal conflicts of interest. These provisions apply to all employees of the Advisor. All personnel of the Advisor must also comply with all federal securities laws.

Customers or prospective customers may obtain a copy of the Code by contacting Sara Schwartz at [sara.schwartz@webull-us.com](mailto:sara.schwartz@webull-us.com).

## B. Participation or Interests in Customer Transactions

Webull Advisors does not act as principal to buy securities from (or sell securities to) any client accounts.

## C. Investment in Securities Recommended to Customers

Webull employees and supervised persons are prohibited from using their knowledge about pending transactions or investments currently being considered for personal profit, including by purchasing or selling such securities directly or indirectly. Access Persons (as defined in the Code) are required to enter all investment accounts into a system designed to review personal securities transactions. This system is reviewed by the CCO or the CCO's designee to ensure compliance with the Code.

## D. Investment in Securities at or about the Same Time Recommended to Customers

Trades in related accounts are reviewed within a designated system to determine if the timing of the trades related to trades within client accounts violate the Code.

### Item 12: Brokerage Practices

#### A. Selection of Broker-Dealers

Webull Advisors uses its affiliated broker-dealer, Webull Financial, as broker-dealer for all client accounts. The exclusive use of an affiliate for brokerage services represents a conflict of interest. In the Advisory Agreement, Webull Advisors' clients appoint Webull Financial as the broker and custodian for the assets in their accounts and direct Webull Advisors to execute all trading in their Webull Advisors account through Webull Financial, and acknowledge the conflict of interest in this brokerage arrangement.

Webull Advisors believes that the use of Webull Financial as broker-dealer will fulfill Webull Advisors' best execution obligations. However, Webull Advisors reviews this relationship on an ongoing basis consistent with its obligations to act in the client's best interests.

Webull Financial does not charge commissions.

#### 1. Soft-Dollar Arrangements

Soft dollar benefits are arrangements under which products or services other than execution of securities transactions are obtained by an adviser from or through a broker-dealer in exchange for the direction by the adviser of client brokerage transactions to the broker-dealer. Webull Advisor receives benefits other than execution services by using Webull Financial as custodian and executing broker, including but not limited to software and technology systems that allow Webull Advisors to manage client data, process fees, maintain books and records, and help facilitate client reporting. The selection of Webull Financial as the custodian and broker-dealer for Webull Advisors' accounts is supported by the scope, quality, and pricing of their services. The benefits received by Webull Advisors outside of execution are benefits that help service all client accounts.

#### 2. Brokerage for Client Referrals

Webull Advisors did not consider client referrals from Webull Financial in its selection of a broker-dealer.

#### 3. Directed Brokerage

Webull Advisors will not accept direction from clients as to where to execute transactions.

## B. Aggregation of Trades

All trades on the same trade day, for the same security, on the same side of the market (buy/sell) are aggregated for trading purposes. This reasonably ensures that all clients that trade on a given trade day receive the same price for the same security.

### Item 13: Review of Accounts

#### A. Client Account Reviews

Webull Advisors has detailed knowledge of the investments in each strategy selection and has a formal program in place for the monitoring of client accounts to include:

- the initial evaluation of whether the strategy selection is suitable for the client

- reviewing trade activity associated with investments

Clients are prompted to update their RTQ responses annually to ensure suitability. Clients are responsible for notifying Webull Advisors of any changes to their financial situation, investment objectives, and risk tolerance.

#### B. Causes for Reviews

Additional reviews may be triggered by material market, economic, or political events.

#### C. Client Reports

Clients have 24/7 access to account information through the app. Clients receive monthly statements from the custodian, Webull Financial.

### Item 14: Customer Referrals and Other Compensation

Webull Advisors does not receive any compensation from third parties for providing investment advice to its customers and does not compensate any third party for customer referrals.

### Item 15: Custody

Webull Advisors is determined to have custody of client funds in accordance with the SEC's Custody Rule given the affiliation between Webull Advisors and Webull Financial, the qualified custodian of the Advisor's clients' assets. Given this determination, Webull Advisors will engage an independent public accountant to conduct an annual, independent surprise audit of client funds and securities.

### Item 16: Investment Discretion

Webull Advisors manages client accounts on a discretionary basis using systematic methods. The discretionary authority granted to the Advisor by the client includes, among other things, the authority to select which securities to buy and sell for each account and when to transmit trading instructions for execution without contemporaneous review or approval by clients on a trade-by-trade basis. Clients grant the Advisor such discretionary authority by executing the Advisory Agreement.

Webull Advisors' clients will have no control over the trading of their Advisor account and may not override any of the Advisor's trades. With respect to their accounts, customers may only:

- change their investment strategy selection,
- deposit and withdraw funds, and
- terminate the account.

### Item 17: Voting of Customer Securities

#### A. Proxy Voting Authority

Webull Advisors does not accept authority to vote client proxies or assist with any legal actions, class actions, etc. of the client.

#### B. Customer Proxy Voting Authority

Clients retain all voting authority regarding their securities.

### Item 18: Financial Information of Webull Advisors

#### A. Financial Disclosures

Webull Advisors does not require or solicit prepayment of fees.

#### B. Material Financial Impairment

Webull Advisors is not aware of any financial condition that may impair its ability to meet its contractual obligations to clients.

#### C. Bankruptcy Petitions

Webull Advisors has not been the subject of a bankruptcy petition at any time during the past 10 years.



**FORM ADV Part 2B**  
**Client Brochure Supplement**

**WEBULL ADVISORS LLC**  
**200 CARILLON PARKWAY**  
**ST PETERSBURG, FL**  
**33716**  
**UNITED STATES**

**MAY 08, 2023**

Webull Advisors offers internet advisory services managed by software, based on input provided from a third-party model manager. Webull Advisors currently does not have any supervised person with direct client contact and discretionary authority over a client's assets.