



NOESIS

Capital Management

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This Brochure provides information about the qualifications and business practices of Noesis Capital Management, Corp. (“Adviser”, “Firm” or “Noesis”). If you have any questions about the contents of this Brochure, please contact us at (561) 999-9888. 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.

Noesis is an SEC registered investment advisor. The term “registered” is not intended to imply that a certain level of skill or training has been obtained by Noesis or its representatives. Additional information about Noesis is also available on the SEC’s website at www.adviserinfo.sec.gov.

ITEM 2: MATERIAL CHANGES

The information contained in this section relates only to material changes that have occurred since the last update. We define a material change as any change that an average client would consider important to know prior to making an investment decision. Clients are encouraged to review any Item numbers referenced in this summary against the previously submitted Disclosure Brochure or Form CRS (“Customer Relationship Summary”) for additional information regarding how this change may impact the client’s decision to do business with our firm.

There were no material changes for Noesis since the firm’s last annual filing of the brochure filed on **November 01, 2019**:

Consistent with the rules, we will ensure that clients receive a summary of any material changes to this and subsequent Brochures or changes to our firm’s Form CRS within 120 days of the close of our business’ fiscal year. Furthermore, we will provide clients with other interim disclosures about material changes, as necessary.

To obtain our firm brochure, Form CRS and brochure supplements (information regarding each of our financial advisors), our Code of Ethics, or our Privacy Disclosure, please visit our website or make your request by phone or in writing as directed below.

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ITEM 3: TABLE OF CONTENTS

ITEM 1: COVER PAGE.....	1
ITEM 2: MATERIAL CHANGES	2
ITEM 3: TABLE OF CONTENTS	3
ITEM 4: ADVISORY BUSINESS	4
ITEM 5: FEES & COMPENSATION	5
ITEM 6: PERFORMANCE-BASED FEES & SIDE-BY-SIDE MANAGEMENT	6
ITEM 7: TYPES OF CLIENTS	6
ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES & RISK OF LOSS.....	6
ITEM 9: DISCIPLINARY INFORMATION	8
ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES & AFFILIATIONS	8
ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING	9
ITEM 12: BROKERAGE PRACTICES	10
ITEM 13: REVIEW OF ACCOUNTS.....	13
ITEM 14: CLIENT REFERRALS & OTHER COMPENSATION.....	13
ITEM 15: CUSTODY.....	14
ITEM 16: INVESTMENT DISCRETION.....	15
ITEM 17: VOTING CLIENT SECURITIES.....	15
ITEM 18: FINANCIAL INFORMATION	16

ITEM 4: ADVISORY BUSINESS

Firm Description

Noesis is located in Boca Raton, Florida. Noesis began operating as a State of Florida investment adviser on September 5, 1995 and moved to SEC registration on April 27, 2001. The firm is owned by Nico Letschert (CFP™) and Ellen Letschert through a *Tenants By Entirety*, and by Jerry Spitzberg (CFA, CPA).

As of October 30, 2020, our assets under management consisted of:

	Number of Accounts	Assets Under Management
Discretionary	795	\$ 501,745,999
Non-Discretionary	39	\$ 49,002,932
Total	834	\$ 550,748,931

Investment Advisory Services

Noesis provides ongoing portfolio management services for its clients. The firm's preference is to deliver these services on a discretionary basis but may also do so on a non-discretionary basis when appropriate. Noesis obtains information pertaining to each client's investment objectives, time horizon, and tolerance for risk so that portfolios can be tailored to meet individual needs. Clients also have the ability to impose reasonable restrictions on investing in specific, or groups of, securities within their account. However, such restrictions and guidelines imposed by clients affect the composition and performance of portfolios.

Although each account is assigned to a Portfolio Manager (or PM), the firm's PMs share information with one another on specific investments and market outlook on a continuous basis. The firm's research team leads the firm's research efforts and provides guidance to Noesis' Portfolio Managers. This gives the firm a common investment philosophy and results in many client portfolios owning common securities, however final discretion is given to each account's PM. This results in different holding periods for commonly held securities amongst the firm's accounts. Noesis has processes in place to ensure that all trades are made in accordance with current industry regulations and the firm's code of ethics so that the firm's clients are not unfairly advantaged or disadvantaged by the decisions of their Portfolio Manager.

Financial Planning Services

As part of our advisory services, Noesis offers informal financial planning services. These services are primarily focused on planning for future cash flow, education, succession and retirement needs. The firm does not charge additional fees for financial planning services.

ITEM 5: FEES & COMPENSATION

Standard Fee Schedule

Noesis is compensated for advisory services by charging a fee based on assets under management according to the schedule below:

Assets Under Management	Fee
First \$1 Million	1.50%
Above \$1 Million	0.75%

Fees are negotiable at our discretion and may differ from the standard fee schedule above. Each client's fee is stated in the client agreement and is charged quarterly in advance based on the ending account value on the last business day of the preceding quarter. Clients have the option of having fees billed to them or having them deducted directly from their investment accounts.

Noesis charges a minimum annual fee of \$5,000. Not all accounts may meet this minimum, as Noesis may waive the minimum at its discretion. The firm does not charge a separate fee for financial planning services.

Payment of Fees

Noesis' fee for advisory services will be based on the ending value of the account on the last business day of the preceding quarter (excluding debits, as applicable) and is payable in advance. For valuation purposes, the assets will be treated as if they were held in the account at the end of the quarter. The first quarterly fee is payable in advance upon opening the account. This initial quarterly fee shall be debited from the Client's initial deposit into the client's account on a prorated basis from the date the account is accepted by Noesis.

Fixed Fees

In very rare and limited circumstances, our firm has accepted fixed fee arrangements for clients. Fixed fees are agreed upon in writing and accepted by the client prior to offering services. For these very special arrangements, fees are based upon the size and complexity of the advisory services being offered.

Termination of Contracts

Agreements may be terminated at any time by the client or by Noesis by giving written notice. Fees paid in advance will be prorated to the date of termination and any unearned portion will be refunded to the client. Fees shall be refunded in full if termination of the agreement occurs within 5 business days of its effective date. Clients may contact the firm's CCO by calling (561) 999-9888 if they would like to request a refund or have questions as to how their refund was calculated.

Other Fees

The advisory fee structure described above does not cover debit balances or related margin interest, SEC

fees, brokerage or related transaction costs, or other fees or taxes required by law. Clients whose funds are invested in mutual funds, money market funds, or ETFs also pay fees to the fund sponsor in addition to fees paid to Noesis' fee for advisory services. charged by mutual funds and exchanged traded funds ("ETF's") to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee for mutual funds. Additional information about Noesis's brokerage practices is available in Item 12 of this brochure.

Clients are also responsible for the fees and expenses charged by custodians and imposed by broker-dealers, including, but not limited to, any commissions, custody fees, transaction charges or mark-up/mark-downs imposed by a broker-dealer with which Noesis effects transactions for a client's account(s).

ITEM 6: PERFORMANCE-BASED FEES & SIDE-BY-SIDE MANAGEMENT

Noesis as a matter of policy and practice does not charge any performance-based fees for its investment management services and does not have any side-by-side management relationships.

ITEM 7: TYPES OF CLIENTS

Noesis offers investment advisory services to individuals, including high net worth individuals, pensions and profit-sharing plans, charitable organizations, trusts and estates, corporations, and institutions as well as foreign clients. We typically require a minimum investment of \$500,000, or an annual fee of \$5,000 to open an account but this minimum may be waived at our discretion.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES & RISK OF LOSS

As discussed in Item 4 of this brochure, Noesis offers portfolio management services directly to clients and families. Noesis has processes in place to ensure that all trades are made in accordance with current industry regulations and the firm's code of ethics so that Noesis clients are not unfairly advantaged or disadvantaged by the decisions of their Portfolio Manager.

Investment Strategy

Noesis' seeks to identify companies that we believe: 1) provide superior products or services, 2) are market leaders or efficient competitors, 3) are profitable or have the potential for profitability, 4) possess high quality management teams, 5) have strong financial characteristics, and 6) have sustainable above average growth and earnings predictability. It is our belief that companies that possess these strengths provide the best potential for long-term investment. We also seek to identify companies poised for growth that have attractive valuations, in addition to the financial strength and management capability needed to deal with expansion.

We focus on companies that we believe are undervalued, or at least reasonably valued relative to the market based upon their strengths and projected earnings growth. Generally, we are reluctant to pay a premium for companies in which we invest, however certain stocks with price-earnings ratios equal to or above the market as a whole may also be attractive if higher valuations are justified by prospects for growth.

We believe that a well-managed portfolio requires moderate, rather than excessive, diversification. A moderate degree of diversification enables us to reduce risk without having too many positions to effectively manage. We diversify our portfolios across those sectors that we believe have the best intermediate and long-term prospects. Despite periodic volatility abroad in dollar terms, we believe international portfolio diversification can, at times, increase total long-term returns due to rapid economic growth in many foreign countries. We recognize that there can be significant investment opportunities in markets outside of the U.S. In addition to directly investing in the securities of foreign companies, we also take advantage of international opportunities by investing in U.S. based, multinational companies, many of which derive a significant portion of their revenues and earnings from foreign sources.

Material Risks

There are inherent risks involved with any investment strategy or method of analysis we use and the particular type of security we recommend. Investing in all securities involves risk of loss, which you should be prepared to bear. Specific risks of our significant investment strategies include:

- **Shorting, Margin and use of Leverage:** Noesis may open client accounts as margin accounts. The use of margin can magnify risk to clients. As each account is separately managed, use of margin should be discussed with your Financial Advisor/PM. Private clients wishing to use margin are required to complete a margin agreement. Other forms of leverage which Noesis may use includes options, short sales and derivative instruments or ETFs. Clients should understand the heightened risk associated with these types of activities prior to utilization in their portfolio.
- Noesis does not typically recommend inverse and leveraged securities. These types of securities are very short-term and meant to be held for not more than a day. For periods longer than a single day, the leveraged ETF will lose money when the level of the index is flat, and it is possible that the leveraged ETF will lose money even if the level of the index rises.

Noesis also has the ability to short stocks in the client portfolios, and a high level of risk is associated with this strategy. Shorting securities requires the use of margin. Structured products may be offered to clients; however, it is important to note that these products often involve a significant amount of risk. Structured products are intended to be “buy and hold” investments and are not liquid instruments.

- **Cash Levels:** From time to time there may be large cash balances within client accounts. These cash balances earn interest at prevailing rates. If we believe it is in the best interest of our clients, Noesis has the ability to move 100% of an account balance into cash or money market mutual funds. This could cause clients to forego higher returns available in other investments and also has the potential to decrease a client’s purchasing power over time.

- **Strategy Differences:** While Noesis' portfolio managers and research personnel share information regarding individual securities and market outlook on a regular and continuous basis, each Portfolio Manager has discretion over how the accounts they are responsible for are invested. This causes differences in asset allocation and performance results experienced by Noesis' clients based on the investment decisions of their Portfolio Manager.

ITEM 9: DISCIPLINARY INFORMATION

Noesis has no legal or disciplinary events to report.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES & AFFILIATIONS

Noesis B.V, an investment advisory firm located in the Netherlands and founded in 2018, is 100% owned by Noesis Capital Management Corp. Noesis B.V. the Dutch affiliated firm was approved for the provision of investment services referred to in article 2:96 of the Financial Supervision Act (WFT), of the Financial Markets Authority (AFM) on June 24, 2019.

Certain officers of Noesis are also indirect owners of Noesis B.V. and are entitled to normal compensation arrangements of ownership. In addition, Noesis recommends clients the services of Noesis B.V. in Holland. As such, clients and prospective clients should be aware of the inherent conflict of interest through ownership of the foreign firm. We mitigate this conflict by informing clients that clients are under no obligation to accept the recommendation to use Noesis B.V.

Noesis International Holdings, Inc. is the privately held company of Ellen and Nico Letschert (100% ownership).

Nico Letschert also owns a private security as a passive investor. Noesis makes clients aware of this fact as another sophisticated client has also invested in the same private security. Clients should be aware that the firm does not typically recommend private securities investments to our advisory clients.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Noesis has adopted compliance and supervisory procedures, which include a formal code of ethics and insider trading policies and procedures. Noesis' code of ethics requires, among other things, that employees:

- Act with integrity, competence, diligence, respect, and in an ethical manner with the public, clients, prospective clients, employers, employees, colleagues in the investment profession, and other participants in global capital markets
- Place the integrity of the investment profession, the interests of clients, and the interests of Noesis above their own personal interests
- Adhere to the fundamental standard that they should not take inappropriate advantage of their position
- Avoid any actual or potential conflict of interest. Any conflicts that cannot be avoided should be fully disclosed to clients and managed in such a way that the client's interests are put first.
- Conduct all personal securities transactions in a manner consistent with the policy
- Use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, taking investment actions, and engaging in other professional activities
- Practice and encourage others to practice in a professional and ethical manner, which will reflect credit on themselves and the profession
- Promote the integrity of, and uphold the rules governing, capital markets
- Maintain and improve their professional competence and strive to maintain and improve the competence of other investment professionals
- Comply with applicable provisions of the federal securities laws

Noesis' compliance and supervisory procedures also requires Employees to:

- Pre-clear certain personal securities transactions
- Report personal securities transactions on at least a quarterly basis
- Provide Noesis with a detailed summary of certain holdings (both initially upon commencement of employment and annually thereafter) over which such employees have a direct or indirect beneficial interest

A copy of Noesis' code of ethics shall be provided to any client or prospective client upon request, free of charge.

Noesis does not nor does a related person recommend to clients, or buy or sell for client accounts, securities in which Noesis (or a related person) have a material financial interest.

Except for reverse convertible bonds, neither Noesis, nor does a related person, recommend securities to clients, or buy or sell securities for client accounts, at or about the same time that Noesis (or a related person) buy or sell the same securities for its own (or the related person's own) account.

Additionally, Noesis does not execute transactions on a principal basis and does not permit transactions on an agency basis.

ITEM 12: BROKERAGE PRACTICES

Your assets must be maintained in an account at a “qualified custodian”, generally a registered broker-dealer or a bank. Clients are free to deem any qualified custodian of their choice, but Noesis will recommend clients custody their assets with Charles Schwab & Co., Inc. (“Schwab”) a registered broker-dealer, member SIPC. We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we recommend that you use Schwab as custodian/broker, you will decide whether to do so and will open your account with Schwab by entering into an agreement directly with Schwab. We do not open the account for you, although we assist you in doing so. Even though your account is maintained at Schwab, we can still use other brokers to execute trades for your account as described below.

We seek to recommend a custodian/broker that will hold your assets and execute transactions on terms that are, overall, most advantageous when compared with other available providers and their services. We consider a wide range of factors including:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds [ETFs], etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, security and stability
- Prior service to us and our clients
- Availability of other products and services that benefit us, as discussed below (see "Products and services available to us from Schwab")

For our clients' accounts that Schwab maintains, Schwab generally does not charge separately for custody services but is compensated by charging commissions or other fees on trades that it executes or that settle into your Schwab account. Certain trades (for example, many mutual funds and ETFs) may not incur Schwab commissions or transaction fees. Schwab is also compensated by earning

interest on the uninvested cash in your account in Schwab's Cash Features Program. [For some accounts, Schwab may charge a percentage of the dollar amount of assets in the account in lieu of commissions.] In addition to commissions and/or asset-based fees, Schwab charges you a "prime broker" or "trade away" fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most trades for your account. We have determined that having Schwab execute most trades is consistent with our duty to seek "best execution" of your trades.

Schwab Advisor Services™ is Schwab's business serving independent investment advisory firms. They provide us and our clients with access to their institutional brokerage services (trading, custody, reporting, and related services), many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts, while others help us manage and grow our business. Schwab's support services are generally available on an unsolicited basis (we do not have to request them) and at no charge to us.

Following is a more detailed description of Schwab's support services:

- **Services that benefit you.** Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.
- **Services that may not directly benefit you.** Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:
 - Provide access to client account data (such as duplicate trade confirmations and account statements)
 - Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
 - Provide pricing and other market data
 - Facilitate payment of our fees from our clients' accounts
 - Assist with back-office functions, recordkeeping, and client reporting
- **Services that generally benefit only us.** Schwab also offers other services intended to help us

manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs

While as a fiduciary, Noesis endeavors to act in its clients' best interests, our recommendation that clients maintain much of their assets in accounts at Charles Schwab & Co., Inc., may be based in part on the benefit to our firm of the availability of some of the foregoing products and services, and not solely on the nature, cost, or quality of custody and brokerage services provided by the brokers. This may create a potential conflict of interest. Noesis clients may, therefore, incur higher costs than those charged by other discount brokers.

Best Execution

On an annual basis, Noesis will formally review the quality of its Best Execution practices for the previous year to determine whether to continue to utilize the existing brokerage arrangements or amend them based upon its results. Noesis will include a sampling of post-trade executions to determine the quality of executions and product recommendations made throughout the year.

Brokerage for Client Referrals

Noesis receives client referrals from Charles Schwab & Co., Inc. (“Schwab”) through Noesis’ participation in the Schwab Advisor Network® (the “Service”). The Service is designed to help investors find an independent investment advisor. Schwab is a broker-dealer independent of and unaffiliated with Noesis. Schwab does not supervise Noesis and has no responsibility for Noesis’ management of clients’ portfolios or other advice or services. Noesis pays Schwab fees to receive client referrals through the Service. Noesis’ participation in the Service may raise potential conflicts of interest described below. Noesis pays Schwab Participation Fees on all referred clients’ accounts that are maintained in custody at Schwab and a Non-Schwab Custody Fee on all accounts that are maintained at, or transferred to, another custodian. Participation Fees are a percentage of the value of the assets in the client’s account. Noesis pays Schwab Participation Fees for so long as the referred client’s account remains in custody at Schwab. Participation Fees are billed to Noesis quarterly and may be increased, decreased or waived by Schwab from time to time. Participation Fees are paid by Noesis, not by the client. Noesis does not charge clients referred through the Service fees or costs greater than the fees or costs the firm charges clients with similar portfolios who were not referred through the Service.

Noesis generally pays Schwab a Non-Schwab Custody Fee if custody of a referred client’s account is not maintained by, or assets in the account are transferred from, Schwab. This Fee does not apply if the client was solely responsible for the decision not to maintain custody at Schwab. The Non-Schwab Custody Fee is a one-time payment equal to a percentage of the assets placed with a custodian other than Schwab. The Non-Schwab Custody Fee is higher than the Participation Fee Noesis would generally pay in a single year. This gives Noesis an incentive to recommend that client accounts be held in custody at Schwab.

The Participation and Non-Schwab Custody Fees are based on the amount of assets in accounts of Noesis’ clients who were referred by Schwab and those referred clients’ family members living in the same

household. This gives Noesis an incentive to encourage household members of clients referred through the Service to maintain custody of their accounts at Schwab.

Directed Brokerage

Noesis does not accept directed brokerage arrangements requested by clients.

Trade Aggregation & Allocation

Noesis aggregates client orders at our discretion and based on a belief that the aggregation will seek best execution. Allocation of aggregate orders will be determined the same day of the order entry and allocation to each client account will be done on a rotational or random basis in order to ensure all clients are treated fairly and equitably.

ITEM 13: REVIEW OF ACCOUNTS

Noesis conducts periodic account reviews whereby accounts are reviewed by the respective Portfolio Manager to ensure compliance with stated investment objectives and any other account requirements or restrictions. This review is in addition to the ongoing account review that results as a matter of course through our active management style.

Clients receive written quarterly reports from Noesis that contain a listing of securities owned, a description of how their portfolio is allocated, as well as performance measurement. Clients can request that these reports be delivered on a monthly basis if desired.

ITEM 14: CLIENT REFERRALS & OTHER COMPENSATION

Noesis receives client referrals from Charles Schwab & Co., Inc. (“Schwab”) through Noesis’ participation in Schwab Advisor Network® (“the Service”). The Service is designed to help investors find an independent investment advisor. Schwab is a broker-dealer independent of and unaffiliated with Noesis. Schwab does not supervise Advisor and has no responsibility for Noesis’ management of clients’ portfolios or Advisor’s other advice or services. Noesis pays Schwab fees to receive client referrals through the Service. Noesis’ participation in the Service may raise potential conflicts of interest described below.

Noesis pays Schwab a Participation Fee on all referred clients’ accounts that are maintained in custody at Schwab and a Non-Schwab Custody Fee on all accounts that are maintained at, or transferred to, another custodian. The Participation Fee paid by Noesis is a percentage of the fees the client owes to Noesis or a percentage of the value of the assets in the client’s account, subject to a minimum Participation Fee. Noesis pays Schwab the Participation Fee for so long as the referred client’s account remains in custody at Schwab. The Participation Fee is billed to Noesis quarterly and may be increased, decreased or waived by Schwab from time to time. The Participation Fee is paid by Noesis and not by the client. Noesis has agreed not to charge clients referred through the Service fees or costs greater than the fees or costs Noesis charges clients with similar portfolios who were not referred through the Service.

Noesis generally pays Schwab a Non-Schwab Custody Fee if custody of a referred client's account is not maintained by, or assets in the account are transferred from Schwab. This Fee does not apply if the client was solely responsible for the decision not to maintain custody at Schwab. The Non-Schwab Custody Fee is a one-time payment equal to a percentage of the assets placed with a custodian other than Schwab. The Non-Schwab Custody Fee is higher than the Participation Fees Advisor generally would pay in a single year. Thus, Noesis will have an incentive to recommend that client accounts be held in custody at Schwab.

The Participation and Non-Schwab Custody Fees will be based on assets in accounts of Noesis' clients who were referred by Schwab and those referred clients' family members living in the same household. Thus, Noesis will have incentives to encourage household members of clients referred through the Service to maintain custody of their accounts and execute transactions at Schwab and to instruct Schwab to debit Noesis' fees directly from the accounts.

For accounts of Noesis' clients maintained in custody at Schwab, Schwab will not charge the client separately for custody but will receive compensation from Noesis' clients in the form of commissions or other transaction-related compensation on securities trades executed through Schwab. Schwab also will receive a fee (generally lower than the applicable commission on trades it executes) for clearance and settlement of trades executed through broker-dealers other than Schwab. Schwab's fees for trades executed at other broker-dealers are in addition to the other broker-dealer's fees. Thus, Noesis may have an incentive to cause trades to be executed through Schwab rather than another broker-dealer. Noesis nevertheless, acknowledges its duty to seek best execution of trades for client accounts. Trades for client accounts held in custody at Schwab may be executed through a different broker-dealer than trades for Noesis' other clients. Thus, trades for accounts custodied at Schwab may be executed at different times and different prices than trades for other accounts that are executed at other broker-dealers.

Any such compensation arrangements will be made pursuant to a written agreement between the outside consultant and Noesis. Additionally, clients in such arrangements will be requested to acknowledge the arrangement and will receive all disclosures required under SEC rule 206(4)-3, prior to Noesis' acceptance of the client's funds.

ITEM 15: CUSTODY

Noesis does not take possession of or maintain custody of a client's funds or securities; however, we have been granted certain authorities which constitute custody under the SEC's interpretation of custody. Noesis directly debits fees. Clients will give Noesis written consent, to request that the qualified custodian directly deduct Noesis' investment advisory fees from your account held at the qualified custodian.

In an effort to provide premium service to clients, Noesis is also granted a standing letter of authorization – or “SLOA” – to enact money movements in and out of a client's account, by some clients. The use of SLOAs and other disbursement authorizations effectively allows advisors to act based upon a client's verbal request, without “troubling” them for additional paperwork and signatures every time. Clients will

provide initial written authorization to Noesis and the qualified custodian, authorizing the SLOA. Under SEC interpretive guidance, this authority constitutes custody. When an adviser is able to accept verbal authorization from clients, there is always an inherent risk that the adviser may act without the client's verbal authorization. We mitigate this risk by ensuring that the qualified custodian sends transaction notices and client statements directly to the client.

Additionally, Noesis prepares quarterly reports for clients showing client holdings, performance and/or client transactions. Clients should also be aware that their qualified custodian will send account statements, at least quarterly, which outline all transactional activity in that period, as well as their respective account holdings. Clients should carefully compare the qualified custodian's statement to any reports provided by Noesis, as well, to verify transactions and fee disbursements. If clients have any concerns or questions, they should contact Noesis' Chief Compliance Officer at (561) 999-9888 or their qualified custodian.

ITEM 16: INVESTMENT DISCRETION

Once an executed Investment Advisory Agreement has been approved by Noesis granting discretionary authority, Noesis determines which securities to buy or sell on a client's behalf, determines the amount of securities to be bought or sold on a client's behalf, determines the selection of the broker-dealer to use.

ITEM 17: VOTING CLIENT SECURITIES

Unless otherwise directed, Noesis votes proxies for clients. We vote proxies in the interest of maximizing shareholder value. We have developed proxy voting policies and procedures pursuant to SEC rule 206(4)-6 and vote proxies in a way that we believe to be consistent with our fiduciary duty. Consideration will be given to both the short and long-term implications of the proposal to be voted on when considering the optimal response. Noesis has appointed individuals who are responsible for identifying the proxies upon which the firm will vote, voting the proxies in the best interest of our clients, and submitting proxies promptly and properly.

If we determine that there is a material conflict of interest between Noesis (or a Noesis employee) and our clients, our procedures provide that we abstain from voting. Noesis will promptly notify the client if we should determine that we will abstain from voting the proxy.

Our written proxy voting policy and procedures, as well as a complete record of how we have voted proxies in the past, are available to clients upon request. Please contact the firm's Chief Compliance Officer at (561) 999-9888 for a copy of either.

ITEM 18: FINANCIAL INFORMATION

Noesis does not maintain custody of client funds or require or solicit the pre-payment of more than \$1,200 in fees per client, 6 months or more in advance. Noesis is not currently and has never been the subject of a bankruptcy petition. The firm has no financial conditions that are reasonably likely to impair our ability to meet contractual obligations to our clients.