

Part 2A of Form ADV: *Firm Brochure*

Barrett Asset Management, LLC
90 Park Avenue
New York, NY 10016

Telephone: 212-983-5080
Facsimile: 212-953-3240
E-mail: mmorreale@barrettasset.com
Web Site Address: www.barrettasset.com

01/31/2012

This brochure provides information about the qualifications and business practices of Barrett Asset Management, LLC (hereinafter “Barrett”). If you have any questions about the contents of this brochure, please contact us at (212) 983-5080 or mmorreale@barrettasset.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 Barrett is available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for Barrett is 157047.

Barrett is a registered investment adviser. Registration of an investment adviser with the SEC does not imply any level of skill or training.

Item 2. Material Changes

On July 28, 2010, the United State Securities and Exchange Commission (“SEC”) published “Amendments to Form ADV” which amends the disclosure documents that we provide to clients as required by SEC Rules. This Form ADV, Part 2A (“Brochure”) is a new document prepared according to the SEC’s new requirements and rules. As such, this document is materially different in structure and requires certain new information that our previous Brochure did not require.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will provide you either: (i) a copy of our Brochure that includes or is accompanied by a summary of material changes; or (ii) a summary of material changes that includes an offer to provide a copy of the current Brochure. We urge you to carefully review all subsequent summaries of material changes, as they will contain important information about any significant changes to our advisory services, fee structure, business practices and conflicts of interest. Additionally, our current (updated) Brochure will be available to our existing and prospective clients through the Investment Adviser Public Disclosure website.

Item 3. Table of Contents

Item	Section	Page Number
1.	Cover Page	1
2.	Material Changes	2
3.	Table of Contents	3
4.	Advisory Business	4
5.	Fees and Compensation	5
6.	Performance-Based Fees and Side-by-Side Management	7
7.	Types of Clients	7
8.	Methods of Analysis, Investment Strategies and Risk of Loss	7
9.	Disciplinary Information	10
10.	Other Financial Industry Activities and Affiliations	10
11.	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	12
12.	Brokerage Practices	12
13.	Review of Accounts	16
14.	Client Referrals and Other Compensation	17
15.	Custody	17
16.	Investment Discretion	18
17.	Voting Client Securities	18
18.	Financial Information	19

Item 4. Advisory Business

Barrett an SEC-registered investment adviser with its principal place of business located in New York, New York. Although Barrett began conducting business on May 2, 2011, it succeeds Barrett Associates, Inc. that was first established in 1937.

Listed below are the firm's principal shareholders, none of whom have control of 25% or more of the company:

The 2010 Barrett Family Trust	24.999%
Peter H. Shriver, President	24.999%
Robert J. Milnamow, Senior Vice President	20.0005%
E. Wells Beck, Managing Director	10.0005%
Christina Bater, Managing Director	10.0005%
John G. Youngman, Managing Director	10.0005%

Our firm offers the following investment advisory services:

Portfolio Management Services

Our firm provides investment supervisory services in the form of continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Barrett provides investment management primarily through individually managed accounts and as the investment adviser for affiliated mutual funds. Account supervision is guided by the stated objectives of the client.

Barrett provides discretionary and non-discretionary portfolio management advisory services. Through personal discussions with clients, goals and objectives based on a client's particular circumstances are established. Investment advisory services provided to institutional and individual clients are based on the needs and objectives of the client. Identifying clients' needs and priorities is the first step in the process of designing a portfolio. Whether a client's objective is growth of capital, income, liquidity or conservation of capital in large part determines the investment program that will be selected. A client's parameters such as risk tolerance, marginal tax rate, and/or account restrictions, also figure prominently into portfolio construction. Barrett then develops a client's personal investment guidelines and creates and manages a portfolio based on that policy. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Depending on the client's goals, portfolios can be invested entirely in equities, fixed income, or a combination of both. The firm invests primarily in very liquid securities including stocks with market capitalizations typically above \$1 billion, U.S. Treasury fixed income securities, and corporate and municipal bonds. The firm also invests in exchange-traded funds ("ETFs") and selected mutual funds that have been approved by the investment group. Barrett reviews and may from time to time recommend to clients investments in venture capital limited partnerships

and pooled investment vehicles. Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company.

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

Amount of Managed Assets

As of December 31, 2011, we were actively managing \$1,082,524,673 of clients' assets on a discretionary basis and \$114,648,352 on a non-discretionary basis.

Item 5. Fees and Compensation

The annualized fee for Barrett's portfolio management services will be charged as a percentage of the market value of assets under management, with a minimum annual fee of \$500, according to the following schedule:

<i>Assets Under Management</i>	<i>Annual Fee</i>
First \$5,000,000	1.25%
Next \$5,000,000	1.00%
Balance	0.75%
Minimum Annual Fee	\$500

Clients may, under certain circumstances, be permitted to hold securities as "unsupervised" assets within the client's account. Securities held as "unsupervised" will not be under the management of Barrett and will not be included as part of the client's account for purposes of computing the quarterly fee. Management fees are billed in advance of services provided. Management fees will be based upon the market value of all of the assets in the client's account, including cash but excluding "unsupervised" assets as of the close of business on the last trading day of the preceding calendar quarter. A minimum annual fee of \$500 may be charged to your account.

Management fees are withdrawn directly from the client's account or the client will be billed directly as set forth in each client's investment advisory agreement.

For new advisory accounts, management fees will be pro-rated based on the number of days that the account was open during the quarter.

We may group certain related client accounts for the purposes of determining the account size and/or annualized fee.

Certain legacy client agreements may be governed by fee schedules different from those listed above.

Negotiability of Advisory Fees

While it is the general policy of Barrett to charge fees to its clients in accordance with the fee schedules in effect at the time of executing the investment management agreement, fees are subject to negotiation based upon a number of factors, including, but not limited to: (1) the type of client; (2) pre-existing client relationships or number of other accounts; (3) assets under management or anticipated client additions to assets under management; and (4) the service requirements associated with the account. The above fee schedules are also subject to modification where substantial securities positions are classified as “unsupervised assets” by the client.

Termination of Advisory Relationship

A client's investment management agreement may be terminated by either party upon ten (10) days written notice to the other party. Termination of client agreements shall not affect transactions entered prior to termination. In the event of termination of this service, advisory fees will be pro-rated from the date ten days after Barrett receives written notice of termination from a client through the end of the quarter for which the fee was prepaid. Any prepaid, unearned fees will be promptly refunded. If a client adds substantial assets to their account during a quarter, Barrett may, at its discretion, charge an additional pro rata fee.

Mutual Fund and ETF Fees and Expenses:

All fees paid to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs 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. A client could invest in a mutual fund or an ETF directly, without the services of our firm. In that case, the client would not receive the services provided by us which are designed, among other things, to assist the client in determining which mutual fund or funds or ETFs are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and ETFs and the fees charged by us to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided. Clients whose uninvested cash balances are swept into money market funds may also pay similar fees.

Barrett may recommend that its advisory clients invest in a mutual fund for which Barrett serves as investment adviser (“Affiliated Funds”). Barrett does not charge clients a management fee on amounts invested in Affiliated Funds. Affiliated Funds are not considered by Barrett when calculating the value of a client's securities that are under management. To the extent a client's funds are invested in an Affiliated Fund, the client will pay a proportionate share of the advisory fees and other operating expenses of such Affiliated Fund.

Brokerage and Custodian Fees

In addition to advisory fees paid to our firm, clients will also be responsible for all transaction, brokerage, and custodian fees incurred as part of their account management. Please see Item 12 of this Brochure for important disclosures regarding our brokerage practices.

Item 6. Performance-Based Fees and Side-By-Side Management

Barrett does not charge any fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7. Types of Clients

Our firm generally provides discretionary advisory services to individuals, corporations, trusts, estates, charitable organizations, foundations and educational institutions, pension and profit sharing plans, as well as other types of businesses and institutional clients.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

Our portfolio managers, in their individual capacity, may use all or use some of the following methods of analysis to determine which securities to buy, sell or hold:

Fundamental analysis. We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indication it may be a good time to buy) or overpriced (indicating it may be time to sell). Barrett focuses on industries that it believes have the prospect for growing at a rate greater than that of the overall economy. The investment team evaluates the fundamental characteristics of companies to identify those with strong cash flow and earnings growth as well as the prospects for sustained long-term growth. When purchased at reasonable prices, the team believes these companies should produce strong absolute and relative performance.

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Technical analysis. We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and to potentially predict future price movement. Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement

Charting: In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict when how long the trend may last and when that trend might reverse.

Cyclical analysis: In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

Mutual fund and/or ETF analysis: We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in other funds in the client's portfolio.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the fund or ETF less suitable of the client's portfolio.

Risks for all forms of securities analysis: Our securities analysis method relies on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

We use the following strategies in managing client accounts:

Long-term purchases: We purchase securities with the intention of holding them in the clients account for a year or longer. We may do this because we believe the securities to be currently undervalued. We may do this because we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that, by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases: We purchase securities with the intention of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

A risk in a short-term purchase strategy is that, should the anticipated price swing not materialize, we are left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss. In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result in increased

brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

Margin transactions: We can purchase stocks for your portfolio with money borrowed from your brokerage account. This allows you to purchase more stock than you would be able to with your available cash, and allows us to purchase stock without selling other holdings.

A risk in margin trading is that, in volatile markets, securities prices can fall very quickly. If the value of the securities in your account minus what you owe the broker falls below a certain level, the broker will issue a “margin call”, and you will be required to sell your position in the security purchased on margin or add more cash to the account. In some circumstances, you may lose more money than you originally invested.

Option writing: We may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

The two types of options are calls and puts:

A call gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we have determined that the stock will increase substantially before the option expires.

A put gives us the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires.

We could use options to speculate on the possibility of a sharp price swing. We could also use options to “hedge” a purchase of the underlying security; in other words, we could use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio.

We could use “covered calls”, in which we sell an option on security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price.

A risk of covered calls is that the option buyer does not have to exercise the option, so that if we want to sell the stock prior to the end of the option agreement, we have to buy the option back from the option buyer, for a possible loss.

We could use a “spreading strategy”, in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors.

A risk of spreading strategies is that the ability to fully profit from a price swing is limited.

Enhanced Equity Income

Barrett's Enhanced Equity Income Strategy utilizes a covered call program designed to maximize cash flow while reducing risk. This is accomplished first by building a portfolio of high quality, large capitalization equities that pay regular dividends higher than the dividend yield of the S&P, and then selling out of the money calls to generate additional cash flow. Typically, covered call options are written, out of the money, on a significant portion of the portfolio's holdings to generate premium income

We place primary emphasis on the generation of income. Additionally, given that the calls are above the current market price of our underlying stocks, capital appreciation is also incorporated in this strategy. Furthermore, due to the cash flow generated by selling calls, volatility will tend to be significantly less than the overall equity market

For all strategies:

Clients should understand that investing in any securities, including mutual funds, involves a risk of loss of both income and principal.

Item 9. Disciplinary Information

Barrett is required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management persons have no reportable disciplinary events to disclose.

Item 10. Other Financial Industry Activities and Affiliations

Barrett serves as the investment adviser to the Barrett Growth Fund ("Growth Fund"), a series of the Trust for Professional Managers, a statutory trust organized under the State of Delaware, and is responsible for managing the Growth Fund's portfolio of securities. As investment adviser, Barrett identifies companies for investment, determines when securities should be purchased or sold by the Growth Fund and selects brokers or dealers to execute transactions for the Growth Fund's portfolio. The Trust is an open-end management investment company registered under the Investment Company Act of 1940 ("1940 Act").

The Growth Fund pays Barrett a monthly investment advisory fee at the annual rate of 1.00% of the Growth Fund's average daily net assets. However, Barrett has contractually agreed to waive its advisory fee, and/or to make payments to limit fund expenses, in order to limit the Growth Fund's total annual operating expenses to 1.25% of average daily net assets through September 28, 2012. After that time, Barrett may continue to limit fund operating expenses in the future or it may end the arrangement at any time. When the Growth Fund's assets grow to a point where fee waivers are no longer necessary, Barrett may seek to recoup amounts waived or

reimbursed. Barrett shall only be entitled to recoup such amounts for a period of three years from the date such amount was waived or reimbursed.

Barrett also serves as investment adviser to the Barrett Opportunity Fund, Inc. ("Opportunity Fund"), a Maryland Corporation organized and operated as an investment company registered under the 1940 Act. Barrett is responsible for managing the Opportunity Fund's portfolio of securities and identifies companies for investment, determines when securities should be purchased or sold by the Opportunity Fund and selects brokers or dealers to execute transactions for the Opportunity Fund's portfolio. Barrett has agreed to reduce the management fee that it would receive from the fund under the Investment Advisory Agreement by 5 basis points. In addition, Barrett has agreed to voluntarily waive an additional 5 basis points of its advisory fee for a period of one year ending April 2012. The Opportunity Fund has a management fee schedule that reduces the management fee as fund assets increase as follows: 0.65% on average daily net assets up to \$1 billion, 0.625% on the next \$1 billion of average daily net assets, 0.600% on the next \$3 billion of average daily net assets, 0.575% on the next \$5 billion of average daily net assets and 0.550% on average daily net assets over \$10 billion.

Clients should be aware that the receipt of additional compensation by Barrett and its management persons or employees creates a conflict of interest that may impair the objectivity of Barrett and these individuals when recommending that our advisory clients invest in an Affiliated Fund. Barrett endeavors at all times to put the interest of its clients first as part of its fiduciary duty as a registered investment adviser and we take the following steps to address this conflict:

- Discloses to clients the existence of all material conflicts of interest, including the potential for Barrett and its employees to earn additional compensation from advisory clients that is separate and distinct from advisory fees paid by the client to Barrett;
- Discloses to clients that they are not obligated to purchase shares in an Affiliated Fund;
- Collects, maintains and documents accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- Conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to the client's needs and circumstances;
- Educates our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

As previously disclosed in Item 5 of this Brochure, Barrett does not charge advisory clients a management fee on amounts invested in Affiliated Funds. Affiliated Funds are not considered by Barrett when calculating the value of a client's securities that are under management.

Item 11. Code of Ethics, Participation in Client Transactions and Personal Trading

Code of Ethics

In recognition of Barrett's and the Affiliated Funds' fiduciary obligation to their clients and shareholders, respectively, and Barrett's and the Affiliated Funds' desire to maintain high ethical

standards, Barrett and the Affiliated Funds have adopted Codes of Ethics. The Codes are based on the principle that employees owe a fiduciary duty to Barrett clients and must avoid activities, interests, and relationships that might interfere with making decisions in the best interests of Barrett's clients. Under the Codes, Barrett's employees may buy and sell securities that may be held by client accounts. To address the potential conflict of interest that may arise from such trading, the Codes impose restrictions on persons associated with Barrett and their covered accounts and contain provisions designed to prevent improper personal trading, identify conflicts of interest and provide a means to resolve any actual or potential conflict in favor of the client. The Codes require pre-clearance of personal securities transactions; certain blackout periods for personal trading of securities which may be considered for purchase or sale by the Affiliated Funds or other clients of Barrett; prohibitions against personal trading of initial public offerings; and aggregation and allocation of personal transactions according to the Codes' policies. Violations of the Codes are subject to review and could result in severe penalties.

In addition, because of the nature of Barrett's business, employees may be exposed to information, which constitutes "inside information" or material, non-public information. Federal securities laws prohibit the use of such information for financial benefit. Accordingly, Barrett and the Affiliated Funds have also adopted policies in the Codes of Ethics that prohibit the use of material non-public information.

Barrett employees may, from time to time, buy or sell securities that are also recommended to clients. As a general rule, Barrett employees will purchase securities for themselves after Barrett has bought those securities for clients, and Barrett employees will sell securities for themselves after clients have sold those securities. In some instances the employee may buy or sell a security owned by a client if the share about is minimal and results in a de minimus trade.

To review and monitor compliance with these restrictions, a record is kept of all purchases and sales of securities for clients and employees and a reporting system requires all persons associated with Barrett to report, on an ongoing basis, all personal security transactions and holdings, and to notify the compliance officer of any personal conflict of interest relationship which may involve a client or an Affiliated Fund.

Clients and prospective clients can obtain a copy of Barrett's Code of Ethics by directing the request to Barrett by telephone, email, or in writing.

Item 12. Brokerage Practices

Duty to Seek Best Execution

Barrett will endeavor to select those brokers which will provide the best services at the lowest commission rates possible. The reasonableness of commissions is based on the broker's stability, reputation, ability to provide professional services, competitive commission rates and prices, research, trading platform, and other services which will help Barrett in providing investment management services to clients. Barrett may therefore recommend or use a broker who provides useful research and securities transaction services even though a lower commission may be charged by a broker who offers no research services and minimal securities transaction

assistance. Research services may be useful in servicing all our clients, and not all of such research may be useful for the account for which the particular transaction was effected.

Barrett's Investment Committee takes into consideration the ability of the broker to obtain best execution for the client; the capacity and quality of the research services provided by the broker to Barrett; and the dissemination of information and responsiveness of the broker to the various needs of Barrett's clients. In those accounts where the broker provides custodial services, the performance of those services is also a factor.

Regarding the reasonableness of brokerage commission rates, the Investment Committee weighs the cost in relation to the substance and consistency of the research provided. Barrett also evaluates the ability of the broker to communicate changes in market condition, company prospects and the availability of the broker's analysts for consultation with Barrett's Investment Committee.

Soft Dollar Arrangements

Consistent with obtaining best execution for clients, Barrett may direct brokerage transactions for clients' portfolios to brokers who provide research and execution services to Barrett and, indirectly, to Barrett's clients. These services are of the type described in Section 28(e) of the Securities Exchange Act of 1934 and are designed to augment Barrett's own internal research and investment strategy capabilities. This may be done without prior agreement or understanding by the client (and done at Barrett's discretion). Such arrangements are generally referred to as "soft dollar arrangements".

Research services obtained through the use of soft dollars may be developed by brokers to whom brokerage is directed or by third-parties which are compensated by the broker. Barrett does not attempt to put a specific dollar value on the services rendered or to allocate the relative costs or benefits of those services among clients, believing that the research Barrett receives will help Barrett to fulfill its overall duty to its clients. Barrett may not use each particular research service, however, to service each client. As a result, a client may pay brokerage commissions that are used, in part, to purchase research services that are not used to benefit that specific client. Broker-dealers selected by Barrett may be paid commissions for effecting transactions for Barrett's clients that exceed the amounts other broker-dealers would have charged for effecting these transactions if Barrett determines in good faith that such amounts are reasonable in relation to the value of the brokerage and/or research services provided by those broker-dealers, viewed either in terms of a particular transaction or Barrett's overall duty to its discretionary client accounts.

The nature of research services provided to Barrett takes several forms. Along with daily telephone communications, Barrett's principals receive brokerage reports on both individual companies and specific industries. Other research material includes computerized valuation screens and general economic reviews. Additionally, oral presentations are made by the brokers' analysts to Barrett's principals. Research received under soft dollar arrangements may include proprietary research generated by the broker-dealers that execute the transactions or research

generated by independent third party research providers and provided by such broker-dealers. Barrett may enter into arrangements under which the broker-dealer pays for a specific research product or service as well as arrangements under which Barrett is allowed to designate broker-dealer payments to specific research providers from time to time based on commission with the executing broker-dealers.

Certain items obtainable with soft dollars may not be used exclusively for either execution or research services. The cost of such "mixed-use" products or services will be fairly allocated and Barrett makes a good faith effort to determine the percentage of such products or services which may be considered as investment research. The portions of the costs attributable to non-research usage of such products or services are paid by Barrett to the broker-dealer in accordance with the provisions of Section 28(e) of the Securities Exchange Act of 1934.

When Barrett uses client brokerage commissions to obtain research or brokerage services, it receives a benefit to the extent that Barrett does not have to produce such products internally or compensate third-parties with its own money for the delivery of such services. Therefore, such use of client brokerage commissions results in a conflict of interest, whereby Barrett has an incentive to direct client brokerage to those brokers who provide research and services utilized by Barrett, even if these brokers do not offer the best price or commission rates for Barrett clients.

Barrett's policy is to make an internal allocation of brokerage commissions to a limited number of brokers for economic research and for valuation models and screens. Another internal allocation is made to a limited number of brokers providing broad-based coverage of industries and companies, and also to brokers, which provide specialized information on individual companies. Within our last fiscal year, we have obtained the following products and services on a soft-dollar basis:

ISI Research	S&P Outlook
Bloomberg	Bank Credit Analyst
D J News	High Frequency Economics
NYSE	OPRA
The Markets.com	Thompson Baseline/Thompson One
FactSet	

Brokers that Barrett selects to execute transactions may from time to time refer clients to Barrett. Barrett will not make commitments to any broker or dealer to compensate that broker or dealer through brokerage or dealer transactions for client referrals; however, a potential conflict of interest may arise between the client's interest in obtaining best price and execution and Barrett's interest in receiving future referrals.

Barrett conducts periodic soft-dollar reviews, analyzing price and commissions offered by the various brokers used and volume of client commissions directed to each broker. Moreover, Barrett performs a qualitative ranking of all brokers used by interviewing and/or polling its trading staff.

Directed Brokerage

Clients may direct Barrett as to the broker or dealer to be used. In directing the use of a particular broker or dealer, it should be understood that Barrett will not have authority to negotiate commissions among various brokers or obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to the client and those charged to other clients who do not direct brokerage.

Clients may, if they choose, negotiate commission rates with the registered representative or other representative of the firm they designate. Unless a lower rate has been negotiated by the client on the client's behalf, the client should expect that the designated brokerage firm will charge commissions based upon the firm's established non-discounted commission schedule. Certain clients of Barrett negotiate for and receive commission discounts in varying amounts and, therefore, some clients may pay lower brokerage commission than other clients in similar transactions.

For those clients custodied at Charles Schwab & Co. ("Schwab") that place a trade away from Schwab with the intent of settling that trade in an account at Schwab, a per trade, per account, service charge will be debited to the account involved in the transaction. Charges for failed trades may also apply.

For those clients custodied at Fidelity that place a trade away from Fidelity with the intent of settling that trade in an account at Fidelity, a per trade, per account, service charge will be debited to the account involved in the transaction. Charges for failed trades may apply.

Trade Aggregation and Allocation

The goal of Barrett is to treat each account fairly and equitably in aggregating trade orders and allocating executed transactions. Decisions must be made on a basis that is fair and equitable to all client accounts within Barrett, and in accordance with applicable regulatory restrictions and guidelines. In order to minimize execution costs and obtain best execution for clients, Barrett may aggregate orders for its client accounts. When Barrett enters an aggregated order, the allocation of securities among participating clients will be completed prior to the time at which the order is entered. In order to ensure that no client is favored over any other, each client participating in an aggregated order will receive the average share price for the transaction, and each client will share transaction costs on a pro-rata basis based upon the client's level of participation in the order.

Barrett does not aggregate client directed brokerage orders. There is no "step-out" of these orders. Client directed orders go only to the directed broker. A client may pay a different transaction cost if the client has directed Barrett to trade with a particular broker-dealer.

Generally, if an aggregated order is partially filled, each participating client will receive a pro-rated portion of the securities based upon the client's level of participation in the order. If, however, Barrett determines that it is in the best interests of its clients to fill its smallest client orders in their entirety rather than allocating securities on a pro-rata basis, the firm may do so; if

Barrett bases the allocation on reasons other than the preceding, it will maintain a record of this decision which includes a description of the reasons that the general allocation policy was not followed.

Allocation of IPOs among Clients

Barrett provides individualized investment advice based on the investment objectives of each client. Generally, due to their nature and risk, initial public offering ("IPOs") will not be appropriate for Barrett's separate account clients. IPOs may, in some instances, be appropriate for the investment companies (registered under the 1940 Act) managed by Barrett and which have a greater tolerance for risk. However, if Barrett determines that an IPO is appropriate for separate account clients and if Barrett believes that a sufficient number of shares can be obtained to make a meaningful allocation, separate account clients may be allocated shares in an IPO. If Barrett only receives a partial fill of shares requested in an IPO, Barrett's partial fill policies will be followed.

Trade Error Policy

Barrett recognizes that client accounts should not be disadvantaged due to trading or operational errors, and/or breaches of certain client directed investment restrictions and guidelines. With respect to trading errors that may occur in client accounts, Barrett intends to place the client in the same position had there been no error. In other words, Barrett will assume any loss that may be incurred with respect to a trading error. Barrett will retain any gains derived from a trading error that is corrected prior to settlement. Any gains derived from a trading error that is corrected after settlement will be provided to the client, unless rejected by the client in writing. Barrett attempts to correct such errors on a prompt basis

Item 13. Review of Accounts

Reviews

At least one portfolio manager is assigned to each client relationship. Each client account is managed as a unique unit and is reviewed on a continuous basis. Normally, changes in portfolios result from routine reviews; however, current economic considerations or developments within specific industries or companies trigger interim reviews which may lead to timely acquisition or elimination of specific securities for some or all accounts. Account reviews are performed by the following Barrett portfolio managers:

Reviewer	Title
John D. Barrett II	Chairman
Peter H. Shriver	President/CEO
Robert J. Milnamow	Executive Vice President
Christina Bater	Managing Director

E. Wells Beck	Managing Director, Director of Research
John G. Youngman	Managing Director
Robert P. Youngman	Managing Director
Michael D. Jamison	Managing Director

Reports

Barrett prepares quarterly portfolio appraisals reflecting cost and market valuations. Performance measurement on each account is calculated and made available to clients regularly. These reviews are supplements to written and verbal communications as well as personal meetings. A client may also make arrangements with the client's custodian to receive additional reports.

Item 14. Client Referrals and Other Compensation

It is Barrett's policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

Barrett and its related persons do not, directly or indirectly, compensate any person for client referrals.

Item 15. Custody

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period. Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

Our firm does not have actual or constructive custody of client accounts.

Item 16. Investment Discretion

The investment advisory agreement between Barrett and each advisory client sets forth our discretionary authority to purchase and sell securities on the client's behalf. Barrett generally has discretion as to which securities to buy or sell for the account and the amount of such securities. The firm's discretionary authority regarding investments may, however, be subject to certain limitations imposed by the client. Certain clients may limit the discretionary authority of Barrett by specifying securities or industries which are not to be purchased or sold on their behalf, and such limitations are noted in their investment policy, advisory contract or under separate cover.

Barrett may also, if a client gives us the authorization to make "Limited" or "Discretionary" "Broker Determinations" (as defined in our Investment Management Agreement), and enter orders for the purchase and/or sale of securities for the client with brokers/dealers of Barrett's choice. The latter choice gives Barrett absolute discretion. The former restricts Barrett's discretion to situations in which the client has designated one or more brokers/dealers it wants Barrett to use, but Barrett believes that circumstances exist which make use of the designee impossible or impractical. In such circumstances, Barrett must still make reasonable attempts to contact the client. Only if such attempts fail may Barrett then exercise discretion. If Barrett executes trades under "Limited Discretion," these accounts may necessarily be managed differently than accounts that have granted Barrett "Discretionary" authority, and, as a result, "Discretionary" clients may obtain better execution than "Limited Discretion" clients.

Some existing Barrett clients may operate under the "Limited Discretion" provision, however this provision is no longer offered to new clients. With respect to making trading determinations (i.e. amount and/or type of securities to be purchased and/or sold), Barrett may, if a client chose to give us "Limited Discretion," effect purchases and/or sales on behalf of such client if, within a reasonable time, we are unable to contact the client by telephone or other suitable means of communication. If a client chooses to give Barrett "Discretionary" authority, (as defined in our Investment Management Agreement), Barrett may make any purchase and/or sale which, in its best judgment, it deems for the client's interest.

Item 17. Voting Client Securities

Barrett has adopted general proxy voting guidelines, which are summarized below. Unless the parties otherwise agree, Barrett shall assume no responsibility for voting proxies for securities held in client accounts. In such cases, Barrett shall have no obligation to take any action or render any advice with respect to the voting of proxies solicited by or with respect to issuers of securities held by a client account. Therefore, Barrett and/or the client shall, as required in each case, instruct each custodian of the assets to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

In the event that a client and Barrett should agree that Barrett exercise proxy voting authority, Barrett will vote proxies in accordance with the Proxy Voting Policies and Procedures ("Policies") it has adopted. Barrett's Policies are designed and implemented in a way that is reasonably expected to ensure that proxy matters are handled in the best interest of clients for whom Barrett has voting authority. While the guidelines included in the Policies are intended to

provide a benchmark for voting standards, each vote is ultimately cast on a case-by-case basis, taking into consideration Barrett's contractual obligations to its clients and all other relevant facts and circumstances at the time of the vote (such that these guidelines may be overridden to the extent the Barrett deems appropriate).

Barrett has a proxy voting committee (the "Proxy Committee") that is responsible for administering and overseeing the proxy voting process. The Proxy Committee is headed by a chairperson (the "Committee Chairperson") who is responsible for determining appropriate voting positions on each proxy and whether there are any material conflicts of interest.

Barrett votes proxies solely in the interests of its clients. As a matter of policy, the officers, trustees and employees of Barrett and the Proxy Committee will not be influenced by outside sources whose interests conflict with the interests of Barrett's clients. All conflicts are resolved in the interests of Barrett's clients. If a material conflict of interest exists, (i) to the extent reasonably practicable and permitted by applicable law, the client is promptly notified, the conflict is disclosed and Barrett obtains the client's proxy voting instructions, and (ii) to the extent that it is not reasonably practicable or permitted by applicable law to notify the client and obtain such instructions (e.g., the client is a mutual fund or other commingled vehicle or is an ERISA plan client).

Issues to be considered when reviewing proxies for material conflicts include, but are not limited to, the following: (i) whether Barrett (or, to the extent required to be considered by applicable law, its affiliates) manages assets for the issuer or an employee group of the issuer or otherwise has an interest in the issuer; (ii) whether Barrett, or an officer or director of Barrett - those responsible for recommending the proxy vote (together, "Voting Persons") is a close relative of or has a personal or business relationship with an issuer, executive, director or person who is a candidate for director of the issuer or is a participant in a proxy contest; and (iii) whether there is any other business or personal relationship where a Voting Person has a personal interest in the outcome of the matter before shareholders. In the event of a conflict of interest or other special event, the Chairman of the Proxy Committee determines votes on a case-by-case basis taking into account the voting guidelines contained in the Proxy Voting Guidelines, as described above. Depending on the best interest of each individual client, Barrett may vote the same proxy differently for different clients. A record of the Committee Chairman's decision, including its basis, is maintained by the Proxy Coordinator.

Clients may obtain a copy of our complete proxy voting policies and procedures upon request by directing the request to Barrett by telephone, email, or in writing. Clients may also request, in writing, information on how proxies for his/her shares were voted.

Item 18. Financial Information

Under no circumstances will we earn fees in excess of \$1,200 more than six months in advance of services rendered. Barrett has no additional required financial information to report.

