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This brochure provides information about the qualifications and business practices of Barnett & Company Inc. If you have any questions about the contents of the brochure, please contact us at 423-756-0125 or info@barnettandcompany.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 Barnett & Company is also available on the SEC's website at www.adviserinfo.sec.gov. Barnett & Company's CRD number is 105867.

Item 2. Material Changes

Investment Advisers are required to prepare a disclosure document ("Brochure") that describes the firm and its business practices. Pursuant to SEC rules, we are required to update our Brochure at least annually and provide you with a summary of any material changes since the previous amendment which was filed on March 25, 2022. The Firm updated the following item:

Item 9: Updated disclosure to report the conclusion and settlement of Barnett's previously disclosed litigation.

With this summary, we hereby offer to deliver a complete copy of our Investment Adviser Brochure upon your request at any time during the year. You may request our Brochure by contacting Barnett & Company at (423) 756-0125 or info@barnettandcompany.com.

Additional information about Barnett & Company Inc. is available via the SEC's web site www.adviserinfo.sec.gov. The SEC's web site also provides information about any persons affiliated with Barnett & Company Inc. who are registered as investment adviser representatives.

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Item 4. Advisory Business

Barnett & Company was founded in 1983 by Warren M. Barnett, CFA. The principal owner is Warren M. Barnett. The firm has two portfolio managers who offer investment advisory services.

Wealth and Asset Management Services

Barnett & Company offers ongoing portfolio management services based on the individual goals, objectives, time horizons and risk tolerances of each client. Clients complete an Investment Questionnaire to assist Barnett & Company with building a portfolio that is specific to the client's financial situation. We recognize that clients may be averse to certain investments, and we will make portfolio adjustments when warranted. Some clients impose unique restrictions in their accounts.

Barnett & Company invests client portfolios in publicly traded marketable securities. Equity investments selected for client accounts may include common stock, preferred stock, real estate investment trusts and master limited partnerships. Fixed income securities may include investment grade and high yield bonds, convertible securities and debentures. Investment company securities, such as exchange-traded funds, mutual funds and business development companies are also used. Other types of investments may be selected for client accounts if such investments meet the specific goals and objectives of the client.

Financial Planning and/or Consulting Services

We can provide personal financial planning and consulting services that include education, advice and the preparation and delivery of a written financial plan that will include general recommendations to help the client achieve his or her personal financial goals. Our personal financial planning services typically involve three steps:

- gathering information from the client and completing a client profile;
- developing the advice or plan; and
- delivering and presenting the plan.

A client may enter into a financial planning engagement with Barnett & Company by signing a financial planning services agreement and, in most cases, agreeing to pay a fee in exchange for those services. The agreement is cancelable at any time by either party for any reason.

The financial plan or advice will not include investment advice, analysis, or recommendations regarding specific securities. Upon delivery of a financial plan to a client, the client will review the plan and provide acknowledgement of their receipt of said plan. Acknowledgement of receipt will end the financial planning advisory relationship between the client and us.

As of October 31, 2022 Barnett & Company had $151.54 million in regulatory assets under management, all of which is managed on a discretionary basis.

Item 5. Fees and Compensation

Wealth and Asset Management Fees

Clients pay Barnett & Company a fee based on the value of assets in their account. Fees are charged quarterly in advance based on the value of the account on the last day of the previous quarter. While Barnett & Company intends to charge fees in accordance with the standard fee schedule in place at the time of executing the portfolio management agreement, fees are subject to negotiation and may vary from the standard schedules to reflect circumstances that apply to a specific client account. The fee schedule, and any applicable terms and conditions, is stated in the client's portfolio management agreement.

The firm's current schedule is as follows:

First $1 million	1.00% per annum
Next $2 million	.75% per annum
Next $2 million	.70% per annum
Next $5 million	.65% per annum
Over $10 million	.60% per annum

Either party may terminate the portfolio management agreement upon notice to the other party. Upon termination, clients will be refunded all fees paid but unearned as of the date of termination within 30 days of such date. Termination of the agreement will not affect the liabilities or obligations incurred or arising from transactions initiated under the agreement prior to the termination.

Clients may, but are not required to, grant Barnett & Company the authority to debit advisory fees directly from the clients' accounts. If the client authorizes Barnett & Company to debit fees, notice of such fee is delivered promptly to the client. Clients will receive a statement, usually monthly but no less than quarterly, directly from their account custodian. Barnett & Company urges clients to review the information on the statement for accuracy and compare the information to any reports received directly from Barnett & Company. Please refer to the Custody section of this document for additional disclosures relating to the deduction of advisory fees.

The advisory fee covers only the portfolio management and advisory services provided by Barnett & Company and does not include brokerage commissions, mark-ups and mark-downs, exchange fees, dealer spreads or other costs associated with the purchase and sale of securities, custodian fees, trade-away fees, transfer fees, wire fees, interest, taxes, or other account expenses. All fees paid to Barnett & Company for investment advisory services are separate and distinct from the internal fees and expenses charged by mutual funds or exchange-traded funds. The client will be solely responsible, directly or indirectly, for these additional expenses. Barnett & Company does not receive any portion of these additional fees. Refer to the section titled "Brokerage Practices" for additional information.

Financial Planning and/or Consulting Fees

Financial planning and consulting services can either be charged at an hourly rate of $175, with an estimated initial cost of $1,000 to $1,500, or charged based on the assets that fall within the scope of the financial plan. Typically, these fees will be due upon receipt.

Prior to engaging Barnett to provide these services, clients are required to sign an Engagement Letter, which sets forth the terms and conditions of the engagement, including fees. Fees will be discussed and agreed upon between the client and Barnett and will be specifically identified in the Engagement Letter.

As a financial planning or consulting client, you are under no obligation to act upon any of our recommendations or effect the transaction(s) through us if you decide to follow the recommendations.

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

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

Item 7. Types of Clients

Barnett & Company generally provides investment advice to individuals, high-net-worth individuals, and charitable organizations. Our services are not subject to a minimum account size.

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

Barnett & Company uses fundamental analysis. Fundamental analysis involves the analysis of financial statements, the general financial health of companies, the analysis of management and the review of competitive advantages.

Through a process of screening large numbers of stocks using public information and proprietary databases available by subscription, Barnett & Company looks for companies with both positive prospects and low current valuation relative to those prospects. We then evaluate the financial health of companies using a number of additional screening tools. Finally, we perform qualitative analysis by perusing the company's SEC documents and testing for criteria that would have an adverse effect on stock ownership.

For appreciation-oriented accounts, the end result of these efforts is a collection of stocks that we believe merit investment consideration. When several stocks in a given industry make the list, we narrow them down to the one or two companies in the group that we feel have the best prospects for appreciation.

Our selling methodology is equally quantitative. When a stock sells for more than twice its long-term earnings growth, we consider it a candidate for sale. Other factors that may cause the selling of a stock are a revision of earnings, material deviation from reported earnings, or issues related to the reliability of accounting or forecasting data. Barnett & Company remains equally flexible in deciding on the selling point of a stock.

The goal when buying a stock for appreciation is for it to double its value in three to five years. Even if this objective is not realized, the goal itself tends to focus thinking on long term potential rather than on short term trading. Such focus is especially helpful in situations where long-term capital gains are desired.

In investing for both current income and appreciation, Barnett & Company employs a more modest goal for price changes since a material portion of return will come from cash flow.

We use the same balance sheet analysis in bond investing that we use in stock screening, although the criteria are different since bondholders do not usually participate in a firm's earnings appreciation as stockholders do. In bond investing, our analysis centers around the issuer's ability to meet its coupon payments, repay its principal and, should the bond become impaired, return its investment in reorganization.

The types of bonds we use again depend on our client's needs: income desired, risk tolerance, and the amount of funds available for investment. We select bonds of medium and below investment grade for clients who need relatively high amounts of income and are willing to accept the associated risk of default that comes with such investments. We select bonds of various degrees of credit quality, duration and maturity, and may include both municipal, corporate and government bonds. Portfolios are constructed based on client's income needs, risk ability and risk tolerance.

Barnett & Company generally shies away from investments that cannot be priced by the marketplace. However, in some cases, a low volume of trading in a particular security may cause the market to misprice the security. The lack of readily available pricing limits our ability to sell an investment, if need be. Far higher costs are associated with the sale of less liquid investments, such as hedge funds, private equity and insurance products. Lack of access to information about sales can jeopardize the objectivity of the valuation of a potential investment.

Investing in securities involves risk of loss that clients should be prepared to bear. Barnett & Company uses its best judgment and good faith efforts in providing advisory services to clients. Barnett & Company cannot warrant or guarantee any particular level of account performance, or that an account will be profitable over time. Not every investment decision or recommendation made by Barnett & Company will be profitable. Investments in securities are subject to various market, currency, inflation, economic, political, and business risks. Barnett & Company attempts to minimize these risks by constructing diversified portfolios appropriate for the specific risk parameters of the investment strategy.

- **Market Risk:** Investments are subject to risk, including the possibility of a loss of principal. Fluctuations in the value of an investment may be caused by external factors independent of an investment's particular underlying circumstances.

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

- **Inflation Risk:** High inflation may adversely affect future purchasing power.

- **Currency Risk:** Foreign investments are subject to fluctuations in the value of the dollar versus the local currency where the investment is made.

- **Reinvestment Risk:** Reinvestment risk occurs when proceeds from an investment may be reinvested at lower prevailing rates.

- **Business Risk:** Business risks are associated with a particular industry or a particular company within an industry.

- **Liquidity Risk:** Liquidity risk occurs when there is a possibility an investment cannot be readily converted to cash.

- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

- **Default Risk:** Investments in high yield bonds generate a higher amount of income to the investor; however, such investments are subject to a greater degree of volatility and a higher rate of default.

Barnett & Company may, at times, choose to invest a portion of client assets in master limited partnerships ("MLPs"). MLPs are traded like equity securities on a national exchange; however, risks and other factors associated with investing in MLP are significantly different from investing in common stocks or bonds. While we intend to select MLPs with sufficient trading volume, MLPs are sometimes thinly traded and may not be liquid or marketable once purchased. MLPs primarily invest in companies that produce and distribute energy and fuels, such as pipelines and other related infrastructure. These companies are affected by fluctuations in supply and demand; interest rates; special risk of constructing and operating facilities or installations; lack of control over pricing, merger and acquisition activity; and federal, state and local regulation. Such fluctuations may, among other things, increase the costs of doing business and limit the potential for growth.

MLPs themselves do not pay U.S. federal income tax at the partnership level. Each investor in an MLP will be issued a K-1 annually showing the allocation of income, gains, losses, deductions and expenses. Changes in tax law could adversely affect the amount of funds available for distribution by the partnership. Furthermore, the partnership could invest in companies that could subject a tax-exempt investor to unrelated business taxable income ("UBTI").

Item 9. Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Barnett & Company or its management.

Barnett & Company, Inc. and Warren Barnett; and Apogee Wealth Partners, LLC, Chris Hopkins, George Bryant, and Jennifer Hairston, announce by agreement that they have resolved all disputes between them on terms that are satisfactory to each of them. The litigation between them has ended. The terms of the resolution are confidential.

The firm is not presently subject to any other legal or disciplinary actions.

Item 10. Other Financial Industry Activities and Affiliation

Barnett & Company has no other financial industry activities or affiliations to report.

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

Barnett & Company has adopted a Code of Ethics that sets forth a standard of conduct required by Barnett & Company's supervised persons and requires compliance with applicable securities laws, including the Insider Trading and Securities Fraud Enforcement Act of 1988. An investment adviser's Code of Ethics requires certain employees (Access Persons) to report their personal securities holdings within ten days of being hired and annually thereafter and are required to report securities transactions within thirty days of the end of each calendar quarter. The Chief Compliance Officer or other designated person reviews employees' personal investment activity to ensure employee trading activity does not conflict with advice provided to clients. A complete copy of Barnett & Company's Code of Ethics is available to any client or prospective client upon request.

Barnett & Company has adopted policies and procedures imposing certain conditions and restrictions on transactions for the accounts of Barnett & Company's employees. Barnett & Company employees are permitted to make investments in securities that are also held in client portfolios, which may raise potential conflicts of interests when such persons trade in a security that is owned or considered for purchase or sale by a client. Barnett & Company's Code of Ethics requires employees to conduct their personal trading in a manner that does not create a conflict of interest with a client, or otherwise take unfair advantage of the client relationship. Employees are required to obtain approval from the Chief Compliance Officer, or other designee, prior to executing trades for their own account in any private placement or initial public offering. Barnett & Company employees are prohibited from taking action for personal benefit rather than for a client's benefit, and from using their knowledge of client transactions for personal profit.

Item 12. Brokerage Practices

Obtaining best execution is an important aspect of the advisory services we offer our clients. Best execution can be described as seeking the most favorable terms for completing transactions considering all relevant circumstances at the time. We take a best practices approach to trading principals to ensure transactions are executed in a manner that is most beneficial to our clients.

When selecting broker-dealers to execute client transactions, Barnett & Company evaluates the services provided by broker-dealers and may consider, among other things:

- Reliability, efficiency and overall quality of service provided;
- Transaction costs;
- Specialization in a particular market;
- Liquidity provided;
- Online services;
- Value of any investment research provided;
- Financial condition;
- Integrity and reputation;
- Error resolution.

Section 28(e) of the Securities Exchange Act permits advisers to use soft dollars, wherein a portion of client commissions is used to purchase research and brokerage services that assist the adviser in managing client accounts. The types of eligible research include, but are not limited to: research reports on companies, industries and sectors; economic and financial data; financial publications; market data and quotations services; asset allocation; and portfolio analytics.

Barnett & Company receives research from brokers in exchange for executing client transactions. This may incentivize Barnett & Company to select a broker based on the research received rather than on the client's interest in receiving the most favorable execution. Research services include, among other things: market, economic or financial data; a particular aspect of economics or on the economy in general; statistical information; data on pricing and availability of securities; financial publications; electronic market quotations; analyses concerning specific securities, companies, industries or sectors; and market, economic and financial studies and forecasts. While Barnett & Company intends to use all research products and brokerage services obtained through soft dollar arrangements to benefit all client accounts, the brokerage commissions paid by a client may be used to pay for research that is not used in managing that particular client's account.

Barnett & Company recognizes that using client commissions for research products creates a conflict of interest because Barnett & Company does not have to pay separately for research. Clients may pay more than the lowest available commission for executing a transaction in order for Barnett & Company to receive these benefits. Nonetheless, Barnett & Company believes the commissions paid by the client are reasonable in relation to the value of the research and brokerage services received.

Barnett & Company recommends equity trades are executed, cleared and settled through the broker that also serves as custodian for the account. Clients have the opportunity to select the custodian and/or broker-dealer of their choice. However, Barnett & Company recommends clients utilize the custodial and brokerage services of Schwab or TD Ameritrade through each firm's respective institutional adviser platform program in which Barnett & Company participates. The recommended custodians are SEC-registered, FINRA member broker-dealers and are not affiliated with Barnett & Company. While these benefits create a potential conflict of interest on behalf of Barnett & Company, there is no direct link between Barnett & Company's participation in the platform and the advice it gives to clients, and are not dependent on the amount of brokerage transactions directed to these custodians. The reason for this preference includes, but is not limited to: discounted commission rates; dedicated trading and/or client service personnel; availability of no load, no transaction fee, load-waived and institutional class mutual funds; access to electronic and/or block trading; daily transaction download and reconciliation files; discounts on compliance, marketing, research, technology and practice management products and services provided by third party vendors; and familiarity of our staff with their operational procedures. Not all investment advisers require clients to use the services of a particular broker-dealer or custodian. Therefore, by directing brokerage, clients may not receive best execution on transactions and may incur higher costs.

Fixed income investments are typically bought and sold through our selection of brokers that specialize in bond trading, maintain an inventory of bonds, have access to a significant network of bond traders, and/or can generally execute fixed income transactions at more favorable prices than a discount broker. Fixed income securities are typically sold "net" meaning that the executing broker does not charge a separate commission but is instead compensated based on a "spread" (the difference between the price it buys the bond for from a dealer and the price it sells it to the client). When executing a trade at a broker that is not also the custodian, the custodian charges a trade-away fee (typically up to $25) to process a transaction to or from the client's account at another brokerage firm.

Clients may request that their account be held at a custodian – and transactions executed at a broker-dealer – other than one recommended by Barnett & Company. In such cases, the client understands that Barnett & Company may not be able to negotiate the best available execution. As a result, transactions in accounts directed by the client to a particular broker-dealer may result in less favorable net prices than would be the case if Barnett & Company were authorized to choose the brokers or dealers through which to execute transactions for the client's account. Furthermore, transactions directed by the client may be executed after transactions for accounts where Barnett & Company determines the broker-dealer to execute the trades.

Barnett & Company may choose to, but is not required to, aggregate client purchase and sale orders of securities with those of other clients if, in Barnett & Company's judgment, such aggregation is reasonably likely to result in an overall economic benefit to clients participating in the trade. Clients participating in an aggregated order will receive the average price of all transactions executed on a pro rata basis. If an order is partially filled, shares will be allocated pro rata based on the client's initial participation in the transaction. To the extent that the limited availability of a security would result in a de minimis allocation, Barnett & Company may, based on the facts and circumstances, exclude one or more accounts from participating in the order and/or select an alternative allocation method provided that such method is fair and equitable to all client accounts over time.

Item 13. Review of Accounts

Investment Advisor Representatives review client accounts on an ongoing basis, and no less frequently than quarterly. Reviews may be triggered by material market, economic or political events or by changes in the client's financial situations (such as retirement, termination of employment, physical move or inheritance.)

We provide each client with a quarterly written report detailing the client's account positions and performance. Clients will also receive an account statement from their custodian, which includes an inventory of holdings and a detailed listing of all transactions.

Item 14. Client Referrals and Other Compensation

Schwab Advisor Services

Barnett & Company participates in Charles Schwab & Co., Inc.'s Schwab Advisor Services program. While there is no direct linkage between the investment advice given and participation in the Schwab Advisor Services program, economic benefits are received which would not be received if applicant did not give investment advice to clients. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving advisers participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; ability to have investment advisory fees deducted directly from client account; access to an electronic communication network for client order entry and account information; receipt of compliance publications; and access to mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors.

Barnett & Company may recommend that clients establish brokerage accounts with Schwab Advisor Services (Schwab), a FINRA-registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although Barnett & Company may recommend that clients establish accounts at Schwab, it is the client's decision to custody assets with Schwab. Barnett & Company is independently owned and operated and not affiliated with Schwab.

Schwab provides Barnett & Company with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them. These services are not contingent upon Barnett & Company committing to Schwab any specific amount of business (assets in custody or trading commissions). Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For Barnett & Company client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

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, Barnett & Company may have an incentive to cause trades to be executed through Schwab rather than another broker-dealer. Barnett & Company 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 Barnett & Company's 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.

Schwab also makes available to Barnett & Company other products and services that benefit Barnett & Company but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of Barnett & Company's accounts, including accounts not maintained at Schwab. Schwab's products and services that assist Barnett & Company in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of Barnett & Company's fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Schwab also offers other services intended to help Barnett & Company manage and further develop its business enterprise. These services may include: (i) compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital consultants and insurance providers. Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to Barnett & Company. Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Barnett & Company. Schwab may also provide other benefits such as educational events or occasional business entertainment of Barnett & Company personnel. In evaluating whether to recommend or require that clients custody their assets at Schwab, Barnett & Company may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers and not solely the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

TD Ameritrade Institutional

Barnett & Company ("the firm") participates in the TD Ameritrade Institutional Program for advisors. TD Ameritrade is a broker/dealer and a member of FINRA/SIPC/NRA. TD Ameritrade is independent of Barnett & Company and is one of several broker/dealers the firm recommends to clients for the purpose of trading and/or custody. In addition, the client may specify a broker/dealer for trading and custody of their account(s), although in doing so, the client may incur execution and/or custody costs higher than the firm would obtain through broker/dealers with whom it does business on an ongoing basis. Such excess fees results in lower returns than would otherwise be the case for the client.

As an institutional client, Barnett & Company receives economic benefits from its association with TD Ameritrade. Such benefits include but are not limited to: obtaining duplicate trade confirmation, block trading, debiting of fees from client accounts, and discounts on compliance, research, marketing, practice management and other relevant corporate services. Such benefits are typically not available to retail clients of TD Ameritrade. Such services are relevant to the administration of client accounts and the management of the firm. Not all services, such as practice management and marketing, will benefit the client accounts directly. Other services obtained through TD Ameritrade, such as research, will benefit clients not associated with TD Ameritrade to the extent such services benefit the firm as a whole.

Services obtained from TD Ameritrade are not contingent on the receipt of specific dollar amounts of trades or assets held at TD Ameritrade by Barnett & Company. Barnett & Company has a duty to put the interests of the client before any vendor, including TD Ameritrade.

Referral Arrangements

Barnett & Company may from time to time enter into client referral agreements with unaffiliated third party promoters whereas the promoters may refer prospective clients whose investment goals and objectives are compatible with Barnett & Company's investment approach. Barnett & Company may compensate the promoter through direct or indirect compensation in accordance with the requirements of Rule 206(4)-1 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements.

Prospective clients will be provided with disclosures at the time of the solicitation that state whether the promoter is a current client of the firm; whether the promoter will receive any cash or non-cash compensation for the referral; and that the receipt of compensation for a referral creates a conflict of interest. In addition, each prospective client will be provided with a copy of a written disclosure statement disclosing the terms and conditions of the arrangement between Barnett & Company and the promoter, including the compensation the promoter will receive from Barnett & Company and any material conflicts of interest on the part of the promoter as a result of the referral arrangement.

Barnett maintains a legacy referral agreement with Charles Schwab & Co, Inc. and continues to pay fees on previously referred relationships.

Item 15. Custody

Barnett & Company is deemed to have custody of client funds as the result of debiting investment advisory fees from client accounts. Debiting of fees is done pursuant to authorization provided by each client and approval of the custodian. Usually monthly, but no less than quarterly, clients receive account statements directly from the custodian of their account. Custodial statements include account holdings, market values and any activity that occurred during the period, including the deduction of investment advisory fees. Barnett & Company also sends periodic reports to clients. Clients are urged to compare information contained in reports provided by Barnett & Company with the account statements received directly from the account custodian. Differences in portfolio value may occur due to various factors, including but not limited to: (1) unsettled trades; (2) accrued income; (3) pricing of securities; and (4) dividends earned but not received.

Barnett & Company is also deemed to have custody of client funds or securities in cases where the client has granted third-party funds transfer authority. Pursuant to the SEC no-action letter dated February 21, 2017, Barnett & Company is not subject to independent verification under Rule 206(4)-2(a)(4) since we have met the seven conditions enumerated in the SEC guidance.

Item 16. Investment Discretion

Barnett & Company offers discretionary investment services. For our discretionary accounts, clients enter into a written agreement with Barnett & Company granting the firm the authority to supervise and direct, on an ongoing basis, investments in accordance with the client's investment objective and guidelines. Clients will also execute any and all documents required by the Custodian so as to authorize and enable Barnett & Company, in its sole discretion, without prior consultation with or ratification by you, to purchase, sell or exchange securities in and for your account. Clients may impose restrictions on investing in certain securities, types of securities, or with regard to investment strategies. A client should set forth these restrictions, in writing, after a discussion with the portfolio manager.

Item 17. Voting Client Securities

Barnett & Company may choose to, but is not required to, vote proxies on a client's behalf. Clients that retain proxy-voting responsibilities will receive all issuer communications directly from their custodian. Barnett & Company has engaged the services of a third party proxy vendor to assist with proxy administration and to vote on behalf of Barnett & Company clients.

In situations where a conflict of interest arises between Barnett & Company and a client with respect to a particular security or a specific issue on the proxy ballot, the conflict of interest will be disclosed to the client and the client may direct Barnett & Company how to cast the vote on their behalf.

Clients can obtain Barnett & Company's Proxy Voting Policies and Procedures and/or a report summarizing each corporate issue and corresponding proxy vote by contacting Barnett & Company at info@barnettandcompany.com.

Item 18. Financial Information

Registered investment advisers are required to provide certain financial information or disclosures about their financial condition.

Barnett & Company has been funding its operations since 2015, in part, by deferring dividends on Series A Preferred shares it had previously issued to clients and other investors. During this period, Barnett & Company redeemed Series C Preferred shares owned by its president, Warren Barnett.