

FORM ADV
UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION
PART 2A: FIRM BROCHURE

ITEM 1: COVER PAGE

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This brochure provides information about the qualifications and business practices of Ipswich Investment Management Co., Inc. If you have any questions about the contents of this brochure, please contact A. Cushing Titcomb, our President and Chief Compliance Officer, at (978) 356-6333 or at cushing@ipswichinvestment.com.

Additional information about Ipswich Investment Management Co., Inc. is also available on the SEC's website at www.adviserinfo.sec.gov

ITEM 2: MATERIAL CHANGES

On July 28, 2010, the SEC published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated March 31, 2012 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 future, this Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes.

Updates to the information contained within this brochure will be provided to clients on an immediate basis. This section will be updated to reflect such changes in a summary form. Should you have any questions related to these disclosures, please contact a firm representative at your convenience.

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ITEM 4: ADVISORY BUSINESS

Since 1986, Ipswich Investment Management Co., Inc. (“IIM”, “we” “our”) has been a Registered Investment Adviser with the SEC under the Investment Advisers Act of 1940. We are a privately owned, independent company, organized as a Massachusetts Corporation with no outside ownership or financing involved.

Our mission is to provide professional, personal and objective investment advice to our clients in order to help them achieve their investment goals.

Many investors prefer to have a primary adviser with whom they can discuss the vast array of financial vehicles and investment alternatives. These investors do not want to assume the responsibility of managing their own portfolios and can comfortably rely on professional advisers to provide the investment advice.

Ipswich Investment Management Co., Inc. is not a broker/dealer and does not accept or hold cash or securities as custodian. The compensation for our management services is based upon a client agreement with an agreed fee. Our fees are calculated on quarter-end asset values and are charged in arrears. We are investment professionals who use our skills and experience to help our clients achieve their investment objectives.

We pledge to operate with the highest degree of integrity and in the best interest of our clients.

As of December 31, 2011 IIM had 270 discretionary accounts valued at \$204,280,291.00 and 21 non-discretionary accounts valued at 57,431,840.00.

ITEM 5: FEES AND COMPENSATION

The specific manner in which fees are charged by IIM is established in a client’s written agreement with IIM. IIM maintains the following general fee schedule per annum for rendering investment advisory services, subject to negotiation and agreement with clients:

All managed assets; including equities, convertible securities, cash equivalents, cash reserved for equities and Fixed Income securities are charged 1% on the first \$2,000,000 in each account. Accounts over \$2 million in value are subject to fee negotiation.

In certain circumstances involving family-related accounts and tax-exempt accounts, a portion of the fee may be negotiated. Hourly charges may be assessed for consultations not involving

investment supervisory services at the rate of \$300 to \$500 per hour. Fixed Fees may be available for certain services in certain situations agreed upon by Registrant and clients.

Fees are billed and payable quarterly in arrears on the value of the portfolio at the end of the quarter. Accounts under management for less than a quarter will be billed on a pro rata basis. Management fees may be waived or reduced at the discretion of the investment advisor.

Investment advisory contracts may be canceled either by the client or by the registrant at any time. Such cancellation will require written notification of termination that will be considered to be effective 30 days after registrant receives written notice. Fees will be pro-rated to the termination date.

IIM's fees are exclusive of brokerage commissions, transaction fees and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange-traded funds also charge internal management fees, which are disclosed in a fund's prospectus.

Such charges, fees and commissions are exclusive of and in addition to IIM's fee.

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

IIM does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

ITEM 7: TYPES OF CLIENTS

Our clients include individuals, families, trusts, endowments, corporations, pension plans, profit sharing plans, IRA rollovers, and others with diverse investment objectives.

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

We manage assets in accordance with the terms of each client's Investment Management Agreement. At the present time our investment strategy is summarized as follows:

Investment Philosophy

Our purpose is to preserve and enhance our clients' net worth and purchasing power through a combination of income and/or capital appreciation, with the expectation of meeting a client's objectives and appetite for risk.

Allocation ratios are based on client objectives, risk tolerance and income requirements.

Our equity investment decisions are driven by several factors: global economic forecasts, most favorable sector characteristics and opportunities, and the search/selection for the best in sector equities—those with a demonstrated global business model.

In fixed income investments, we are opportunistic in identifying undervalued debt opportunities, currently focusing on 5-year average maturity corporate debt rated AA or better and US Treasury TIPS in the 10-20 year maturity range.

Investment Strategy

Our investment strategy is derived from our macro-global economic perspective.

The key factors used to determine attractive global investment opportunities are foreign trade flows, foreign exchange differentials, labor costs, savings and investment flows, fiscal and monetary policy, regional and/or country demographics and political developments.

Our investment decisions are driven by the search for best in sector equities: those with an attractive global business model, valuations and dividend growth that exceed forecasted inflation expectations.

We seek to protect our client's capital with a balanced maturity approach that utilizes long, intermediate and short-term maturities.

The recommendations will be based on the client's objectives, needs, assets and personal and family obligations and plans. Advice will be given as to the asset mix and types of investments to help the client achieve his/her objectives. Attention will also be paid to the client's tax situation (if the client is a taxable entity) in determining whether to recommend tax-free securities and/or whether to recognize short or long-term gains and losses. Tax considerations, however, will not be the main reason for recommendations and tax advice will not be given. "Investing in securities involves risk of loss that clients should be prepared to bear."

Methods of Analysis, Sources of Information & Investment Strategies

We generally recommend long-term purchase of securities. However, a security may be sold within a year or even a few days if we believe a gain should be realized sooner in order to prevent or limit a loss in case of adverse changes in the security's or market's outlook.

Purchases of puts or calls on the Standard & Poor's Index, the Value Line Index or other market or sector indices may be made, but not for speculative purposes; rather, are utilized to protect against a loss should the market be expected to decline or as a method of participation more fully in a possible market advance if the portfolio were not committed fully enough in equities. It is not expected that any purchase of these securities would utilize more than 10% of a portfolio's value. This type of activity is not expected to be a major part of our investment strategy.

We maintain an Investment Committee consisting of the firm's four principals. The Investment Committee maintains IIM's list of followed securities on a continuous basis.

Risk of Loss:

The value of securities in the portfolio will go up and down. Consequently the overall valuation of the account may decline and you could lose money. The stock market is subject to significant fluctuations in value as a result of political, economic, and market developments. If the stock market declines in value, the portfolio is likely to decline in value. Because of changes in the financial condition or prospects of specific companies, the individual stocks selected by IIM may decline in value, causing the account to decline in value. Investments are not deposits in a bank and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.

ITEM 9: DISCIPLINARY INFORMATION

Neither IIM nor any of its associated persons have been involved in any material, legal or disciplinary events that would be material to your evaluation of IIM or the integrity of IIM's management.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

IIM is not a registered broker-dealer and does not accept or hold cash or securities in custody.

From time to time IIM organizes LLC's to aggregate interests in certain venture capital partnerships. This is done at the request of the Venture Capital General Partners. The entity known as Beacon Fiduciary Partners, LLC, a Delaware Corporation, was established to allow clients to invest in a specific Limited Partnership venture.

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

IIM has a Code of Ethics that governs personal securities investment activities of affiliated persons to ensure that such persons comply with applicable federal securities laws. The basic premise of the Code is that the interests of clients are paramount and affiliated persons should not take inappropriate advantage of Registrant's relationship with Clients. The Code requires approval of personal trades involving securities being recommended to, purchased for, or sold for clients; and subject to certain exceptions requires approval of other personal securities trades. The Code of Ethics also contains provisions relating to, among other things: confidentiality of Client information; prohibitions on insider trading; prohibitions on "pay-to-play"; restrictions on the acceptance of significant gifts; reporting of certain gifts, outside activities and political contributions; and personal securities trading by its principals, employees and related persons ("**Employees**"). All Employees must acknowledge the terms of the Code of Ethics upon hire, annually, or as amended.

IIM representatives may, from time to time, purchase or sell for a client account or recommend the purchase or sale of a security that is also owned by other firm accounts or one or more of its employees. All transactions will be carefully reviewed by the registrant to assure that the transactions were executed in good faith and in accordance with registrant's insider trading policy and code of ethics. There can be no assurance that securities purchased for the other accounts or for registrant's employees will be deemed appropriate for purchase for other client accounts.

Clients or prospective clients may request a copy of IIM's Code of Ethics by contacting Cushing Titcomb, President at (978) 356-6333 or by e-mail at cushing@ipswichinvestment.com.

ITEM 12: BROKERAGE PRACTICES

As described under Item 4, above, we may have investment discretion to select the securities and amount of securities for your accounts that we manage (see Item 16, below). IIM also has discretionary authority from its clients to select the broker used and the commission rates to be paid.

Our recommendations and decisions that we implement are based on our determination of suitability of the recommendation for your specific investment objectives and needs. When we have investment discretion, we select the security, the amount of the security and timing of the transaction. We then place the transaction without obtaining your specific consent on a transaction-by-transaction basis. Any limitation on that discretion is set forth in writing.

Discretionary Brokerage: Included in discretionary authority is the authority to select the broker or dealer to be used in the purchase and sale of securities, in which case the commission rates paid are based on institutional discounts or discount brokerage fee schedules.

Directed Brokerage: Clients may limit IIM's discretionary authority and may occasionally direct IIM to use a particular broker-dealer to execute portfolio transactions for their account.

IIM may not be in a position to freely negotiate commission rates or spreads, or select broker-dealers on the basis of best price and execution. Directed transactions may be subject to price movements, particularly in volatile markets, that may result in the client receiving a price that is less favorable than the price obtained on aggregated orders for a particular security. These directed transactions may result in higher commissions and/or greater spreads for such security.

Best Execution: It is the policy of IIM to seek best execution of orders at the most favorable price. The following are determining factors when seeking best execution:

- (1) evaluation of the brokers efficiency in executing and clearing transactions;
- (2) the rate of commission or the size of the broker – dealer's spread;
- (3) the size and difficulty of the order;

- (4) operational capabilities of the broker-dealer; and
- (5) the research and other services provided

Brokerage Accounts

IIM recommends that clients establish brokerage accounts with a number of different brokerage firms (“Brokerage/Custody Firms”) that are not affiliated with IIM. The selected brokerage firms are registered broker dealers, members of Securities Investors Protection Corporation (SIPC) and New York Stock Exchange (NYSE). The brokerage firms also serve as a third party qualified custodian maintaining custody of clients’ assets and effecting trades for their accounts.

IIM is independently owned and operated and is not affiliated with any Brokerage/Custody Firm. Some of the Firms that IIM currently works with are Charles Schwab Institutional, Fidelity Institutional, UBS and State Street Wealth Management. These Firms provide IIM with access to their institutional trading and custody services, which are typically not available to retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the advisor’s clients’ assets are maintained in the accounts.

The Brokerage/Custody Firms’ services include brokerage, custody, research and access to mutual funds and other investments that are generally available only to institutional investors or would require a significantly higher minimum initial investment.

For IIM client accounts maintained in its custody, the Brokerage/Custody Firms generally do not charge separately for custody but are compensated by account holders through commissions or other transaction-related fees for securities traded that are executed through their institutional accounts.

Soft Dollars: IIM does not accept soft dollar benefits in connection with brokerage selection.

As a fiduciary, IIM endeavors to act in its clients’ best interests. IIM’s recommendation that clients maintain their assets in accounts at certain Brokerage/Custody Firms may be based in part on the benefit to IIM of some of the services and products provided by these firms and not solely on the nature, cost or quality of custody and brokerage services provided by the firms, which may create a potential conflict of interest.

Clients may at times pay commissions to brokers not directly responsible for the particular research or services which led to or facilitated the transaction generating the commission. Conversely, they may benefit from research or service paid for by commissions paid by others. IIM balances its use of brokers to ensure that commissions do not exceed the value of any research and service provided and also to ensure that clients receive fair benefit from research and investment services provided to IIM in exchange for the commissions they pay.

Aggregated Transactions: At times, IIM is able to achieve volume discounts by aggregating orders on behalf of two or more clients. In such cases, transactions for each account are generally averaged as to price and allocated as to amount in accordance with the daily purchase

or sale orders actually placed for each account. Such combined or “batched” trades may be used to facilitate best execution, including negotiating more favorable prices, obtaining more timely or equitable execution or reducing overall commission charges.

ITEM 13: REVIEW OF ACCOUNTS

IIM has an investment committee which is responsible for the review of accounts on a regular basis. At least annually most accounts will be monitored using an on-line computer-based system. The investment committee members are: Eric H. Jostrom, Alexander M. Colby, A. Cushing Titcomb and Patricia A. Bowlin

Accounts will be reviewed with regard to the Advisory contract for each account. Upon request, accounts will be reviewed with the client.

Clients may receive portfolio appraisals for investment advisory accounts upon request. These reports will show individual assets at cost, at market, realized capital gains and losses, a summary of transactions for the requested time period and estimated annual income. Any client, by specific request, may receive additional reports. The client will also receive a monthly statement from the custodian or brokerage firm.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

IIM has no arrangements whereby a party who is not a client compensates or otherwise provides an economic benefit to IIM for providing services to clients.

IIM may establish client referral programs in compliance with Investment Advisers Act Rule 206(4)-3 and similar state rules. Any client referral arrangement is documented by contract and includes specific disclosure statements to be provided to prospective clients. The fee arrangement is negotiable for each individual solicitor.

ITEM 15: CUSTODY

IIM does not have custody of client funds. Clients receive monthly statements directly from the broker dealer, bank or other qualified custodian that holds and maintains client’s investment assets. IIM urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

ITEM 16: INVESTMENT DISCRETION

IIM usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, IIM observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, IIM's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to IIM in writing.

ITEM 17: VOTING CLIENT SECURITIES

The Registrant has a Proxy Voting Policy & Procedure in place; however, proxy voting by the client is available upon request.

In general, our voting takes into consideration our knowledge of the company. We make a decision that in our best judgment will maximize the value of the company and therefore our clients' investment. IIM will vote responsibly on proxy issues in a manner which, in our best judgment, will maintain or enhance shareholder value. As a general policy we tend to vote non-shareholder value issues in alignment with management's recommendations, if there is no conflict with shareholder value. This judgment shall be made independently and with complete objectivity. Contact Cushing Titcomb, President, for a copy of IIM's voting history and/or proxy voting procedure.

When a client elects for IIM to assume the responsibility of voting proxies, the following procedures will be in place:

IIM's investment committee serves as the Proxy Voting Oversight Committee (PVOC). The PVOC designates an individual to review all proxy materials to determine if the proxy matters are routine or non-routine. The designee must be a member of the investment committee.

Unusual proposals will be reviewed as they arise and if necessary, will be brought before a regular investment committee meeting for broader discussion.

Summary of Policy Guidelines

Our standard policy is determined by the overwhelming responsibility of fiduciary duty to our clients. In light of this, the primary considerations in determining our response to proxy issues are the two questions below:

1. Is the proposal in the long-term interest of shareholders?
2. What is the ultimate cost to the company of implementing a shareholder recommendation?

ITEM 18: FINANCIAL INFORMATION

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about IIM's financial condition. IIM has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.