

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

ITEM 1: COVER PAGE

Ipswich Investment Management Co., Inc.

53 South Main Street
Ipswich, MA 01938
CRD # 106625
SEC # 801-26465

Phone: 978-356-6333

Fax: 978-356-2176

Website: www.ipswichinvestment.com

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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 Executive Vice 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

This Item discusses only specific material changes that are made to this Brochure and provides clients with a summary of changes.

There were no material changes to this brochure from the previous version.

In the past, IIM has offered or delivered a brochure with information about its qualifications and business practices to clients on at least an annual basis. Pursuant to SEC rules, IIM will provide a summary of any material changes to its brochure within 120 days of the close of the fiscal year. IIM may also provide information about material changes to clients at other times throughout the year if necessary.

If you would like a copy of the brochure, please call 978-356-6333.

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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.

At IIM, our mission is to focus our efforts on providing sound and unbiased investment advice to our clients to assist them in achieving financial goals consistent with their individual risk tolerance. As an independent, client-centric company, IIM places its clients’ interests first without conflicts of interest or pressures to market products.

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, 2019 IIM had 495 discretionary accounts valued at \$486,309,579 and 8 non-discretionary accounts valued at \$60,226,216.

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.

In certain circumstances, IIM allows related accounts to be combined for fee paying purposes. Accounts combined provide clients a lower fee than what would be paid if the account was not aggregated but have risk that if a large account were to be liquidated the fees for the other accounts could be raised.

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, or other third parties which may include fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer, 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 and may offer different classes of shares with different fee structures.

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

At IIM, we focus our efforts on providing sound and unbiased investment advice to our clients to assist them in achieving financial goals consistent with their individual risk tolerance. As an independent, client-centric company, IIM places its clients' interests first without conflicts of interest or pressures to market products.

We believe that combining in-depth analysis with a long term investment perspective is the best way to achieve positive, risk-adjusted rates of return for our clients.

Although we monitor current developments closely, we take pride in the low asset turnover that has characterized our investment process over the years.

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.

Methods of Analysis, Sources of Information, and Investment Strategies

Our investment approach is derived from our global macro-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. We favor investments with the following characteristics.

Equity Investments: Reasonably priced companies with an attractive global business model and companies with dividend growth that exceeds forecasted inflation expectations. 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.

Fixed Income Investments: We favor highly rated fixed income securities based on their income and safety of principal. In fixed income investments, we are opportunistic in identifying undervalued debt opportunities, focusing on corporate debt rated BAA or better and US Treasury securities, including TIPS. We seek to protect our client's capital with a balanced maturity approach that utilizes long, intermediate, and short-term maturities.

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.

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

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 also will 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.

We maintain an Investment Committee consisting of the firm's six senior officers. 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 a client 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. Investing in securities involves risk of loss that clients should be prepared to bear.

Cybersecurity Risks

IIM must rely in part on digital and network technologies (collectively, "networks") to conduct its investment advisory business. Such networks, including those of service providers, are susceptible to cyber-attacks that could potentially seek unauthorized access to digital systems for purposes such as misappropriating sensitive information, corrupting data, or causing operational disruption. Cyber-attacks might potentially be carried out by persons using techniques that could range from efforts to electronically circumvent network security or overwhelm websites to intelligence gathering and social engineering functions aimed at obtaining information necessary to gain access. Cyber-attacks against, or security breakdowns of, us or our service providers, if applicable, may adversely impact us and our clients, potentially resulting in, among other things, financial losses, our inability to transact business on behalf of our clients, reputational damage, and/or additional costs. We may incur additional costs related to cybersecurity risk management and remediation. In addition, cybersecurity risks may also impact issuers of securities in which we invest on behalf of our clients, which may cause our clients' investment in such issuers to lose value.

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 a client's 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.

A certain number of IIM's clients are members of Beacon Fiduciary Partners LLC (the "Beacon LLC"), a passive vehicle that invested in Charles River Partnership XI and Charles River Partnership XI-Annex, venture capital funds managed by Charles River Ventures. IIM President & Chief Executive Officer Alexander M. Colby serves as the Managing Partner of Beacon Fiduciary Partners LLC. Mr. Colby and other senior personnel of IIM are also members of Constitution Partners LLC's IV, V, VI, and VII.

A certain number of IIM's clients and certain IIM employees are members of Constitution Partners LLC's III, IV, V, VI, and VII (collectively, the "Constitution LLCs") which likewise are passive vehicles that each invested in a venture capital fund managed by Charles River Ventures. IIM Chairman and Chief Investment Officer, Eric H. Jostrom, serves as the Managing Partner of Constitution Partners LLC's III, IV, V, VI and VII. Mr. Jostrom and other senior personnel of IIM are also members of Constitution Partners LLC's III, IV, V, VI, and VII.

To the extent a client of IIM is or becomes a member in any of the Constitution LLCs or the Beacon LLCs (or any other similar future entities, if any) they should be aware that, although senior IIM personnel are involved in the formation and governance of these entities, the roles of IIM personnel with these entities are outside activities that are not related to IIM. In addition, these entities are not clients of IIM and therefore their interests in such entities are not entitled to the fiduciary and statutory protections that would be applicable to an investment advisory relationship between IIM and such entities.

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, Executive Vice President, COO, and CCO 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 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 a client's 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 members of the 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, Fidelity Investments, and UBS. 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. The Investment Committee members are: Eric H. Jostrom, Alexander M. Colby, A. Cushing Titcomb, Patricia A. Bowlin, James R. McCall, and Janell Phillips.

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

Clients of IIM have discretion to select the qualified custodian where their account assets will be maintained. IIM maintains relationships with certain qualified custodians with which it has a good working relationship and can suggest the use of such qualified custodians in response to client inquiries for recommended service providers. IIM does not receive monetary reciprocation for any such referrals.

Due to SEC Regulations, IIM may be deemed to have custody, although inadvertent, on any accounts under management that have Third Party Standing Letters of Authorization (SLOA). Third Party Transfers are transfers between accounts that do not have a like-to-like Registration and Tax ID.

IIM has limited authority to transfer a client's assets between the client's accounts if the client has authorized us as the adviser in writing to make such transfers and a copy of that authorization is provided to the qualified custodians, specifying the client accounts maintained with qualified custodians. These transfers can be one-time requests or standing requests.

We have removed any pre-existing authority on all client accounts that gave the adviser authority to request wire transfers. All wire transfer requests require verbal or written authorization from the client for each wire transfer. We are adhering to the seven conditions given by the SEC for

firms that have SLOA's. We maintain procedures to prevent client assets from conversion or inappropriate use by advisory personnel. We keep a log of all accounts which have Third Party SLOAs in its portfolio management software. In this log we confirm that we have reviewed the Third Party and that they are not related to the registrant.

We perform a due diligence inquiry obligation so that we have reasonable belief that the qualified custodian(s) that custody our clients' funds are sending our clients statements at least quarterly. IIM urges clients to carefully review such statements and compare such official custodial records to the account statements that we may provide. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. IIM includes the following message on statements that we may provide to clients:

This statement is provided by Ipswich Investment Management Co., Inc. to supplement the statement(s) you receive from your qualified custodian. The statement(s) you receive from your custodian is the official statement of account record. We urge you to compare the information we provide with the information reflected in your custodian's account statement(s) for verification. Note that this statement may list different market prices as compared to the prices shown on your custodian statement(s). These differences generally result from the use of different pricing sources. If you have any questions, please call us.

For certain accounts that IIM is deemed to have custody, we have an independent accounting firm conduct surprise annual audits which are on file with the SEC.

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 and Procedure in place; however, proxy voting by the client is available upon request.

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.

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.

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

Contact Cushing Titcomb, Executive Vice President, COO, and CCO, for a copy of IIM's voting history and/or proxy voting procedure.

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 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.