

**Item 1 - Cover Page**

Baxter Bros. Inc.

(D/b/a Baxter Investment Management)

1030 East Putnam Avenue

Riverside, CT 06878

203-637-4559

[www.Baxterinvestment.com](http://www.Baxterinvestment.com)

March 30, 2020

This Brochure provides information about the qualifications and business practices of Baxter Bros. Inc. “Baxter Investment Management”. If you have any questions about the contents of this Brochure, please contact us at 203-637-4559. 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.

Baxter Investment Management is a registered investment adviser. Registration of an Investment Adviser or the use of the term “registered” does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Baxter Investment Management also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

SEC Rules allow federally registered investment advisers to provide a summary page of material changes to their Disclosure Brochure to clients. Clients who only receive this summary page of material changes may obtain a current copy of the entire brochure by contacting Baxter Investment Management.

The following material changes have been made since the previous brochure dated March 26, 2019:

We welcomed William Joseph Baxter IV in January 2020. William will serve as a Portfolio Manager. You may find additional information about William in our Brochure Supplement: Form ADV Part 2B or upon request.

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#### **Item 4 – Advisory Business**

Baxter Bros., Inc. is a corporation formed under the laws of the State of New York, doing business as Baxter Investment Management (“Baxter”). Our firm was founded as The Baxter International Economic Research Bureau in 1924, and our history spans three generations of the Baxter family. William J. Baxter III and John Baxter respectively own 65% and 35% of the common stock of the firm.

Baxter offers personalized, discretionary portfolio management services to a variety of clients. As of December 31, 2019, we had \$670,975,807 in discretionary assets under management.

Managing risk is the key to successful wealth management, and our basic philosophy has been honed over 90 years and three generations of financial professionals. We are not constrained by styles such as growth and value, or market capitalization limits such as large cap, mid cap or small cap. We will invest where we believe the best opportunities for long term growth lie. We are sometimes described as a “Core” manager or a GARP (growth at reasonable prices) manager. Regardless of labels, our objective is to identify compelling values that we believe will generate attractive returns on capital for our clients.

In connection with our portfolio management services, (1) we tailor our advice to the client’s individual needs, (2) clients may impose reasonable restrictions on our services, which may include restrictions on investing in certain securities or types of securities, by discussing and requesting, in writing, those restrictions, (3) we will not be required to independently verify any information that is provided to us by the client or any of the client’s other professionals (such as the client’s attorney or accountant), and (4) each client is responsible to promptly notify us if there is ever any change in their financial situation or investment objectives so that we are positioned to review, evaluate and possibly revise our previous recommendations and/or services.

Please note that as part our portfolio management services, we may participate in one or more wrap fee programs. For more information about our use of wrap fee programs, please see our discussion under Item 5 titled “Separate Management (Wrap) Programs”.

#### **Item 5 – Fees and Compensation**

All fees are subject to negotiation.

Our investment advisory fees for all advisory services are calculated as a percentage of assets under management. In general the firm’s annual fee is calculated as follows:

- One (1.0%) percent of the market value of the portfolio under management. The annual percentage fee is payable in advance on a quarterly basis, based upon the prior quarter-end market value.

- Fees are deducted from the portfolio or billed to the client which is determined in advance.
- Individual accounts in a family group may be treated as one account for purposes of computing the fee payable.
- Fees and account minimums may vary due to particular circumstances of the client or as otherwise negotiated with particular clients.

The above fee schedule reflects Baxter's management fee. It does not include the fees for brokerage commissions and custodial charges, which are not charged by, or payable to, Baxter. Holdings in a client's account may include mutual funds or exchange-traded funds ("ETFs") for which a separate investment management fee is charged by the mutual fund manager or ETF. Such fees are not charged by, or payable to, Baxter. Our fees may be deducted from the client's account by the client's account custodian or, in the alternative, may be paid directly by the client.

Upon written request at any time clients may terminate Baxter's advisory service. Upon termination of the contract, the fees described above will be prorated. In the event that Baxter's advisory services are terminated before the end of a billing period, the client will receive a refund of the unearned portion (if any) of client's prorated prepaid advisory fee. Within five (5) business days of execution of the Baxter's customer agreement, clients may terminate the contract upon written notice to the firm and receive a full refund of the fee paid. Upon termination, securities positions in the terminated client's portfolios will not be liquidated unless specifically requested by the client.

#### ***Separately Managed (WRAP) Accounts***

For some clients, Baxter serves as an investment manager under so-called "separately managed account" or "wrap fee" arrangements sponsored by certain unaffiliated broker-dealers ("Program Sponsors"), including: UBS Financial Services ("Managed Accounts Consulting" program), and Raymond James ("Raymond James Consulting Service" program). The Program Sponsors may recommend that a client retain Baxter as an investment adviser, monitor and evaluate Baxter's investment performance, execute the client's portfolio transactions without commission charge, and provide custodial services for the client's assets, all for a fee paid by the client to the Program Sponsor that is a portion of the wrap fee charged by the Program Sponsor. The client is also responsible for Baxter's management fee (which may or may not be part of a single fee charged to the client by the Program Sponsor). Under these programs the client enters into an investment advisory contract with Baxter whereby Baxter maintains investment discretion for the portfolio. Generally, the agreements may be terminated at the written request of either the client, the Program Sponsor or Baxter. The investment strategy used by Baxter in managing wrap-fee accounts is similar to that offered to non-wrap clients.

In evaluating the wrap fee arrangement, a client should recognize that brokerage commissions for the execution of transactions in the client's account are not negotiated by Baxter, and a portion of

the wrap fee is generally considered in lieu of brokerage commissions. Transactions will be effected through the Program Sponsor and it is the client's responsibility to conclude that the Program Sponsor is capable of providing best execution of transactions for client's account.

Additional information about each Program, and their services and fees is included in the Form ADV Part 2A Appendix 1 (Wrap Fee Program Brochure) provided by each Program Sponsor.

### **Item 6 – Performance-Based Fees and Side-By-Side Management**

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

### **Item 7 – Types of Clients**

Baxter Investment Management provides portfolio management services to individuals, high net worth individuals, corporate pension and profit-sharing plans, charitable organizations and corporations.

Each client will generally be required to sign an advisory agreement with Baxter that sets forth the terms and conditions of their relationship.

### **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

At Baxter, we are committed to identifying compelling values that we believe will generate attractive returns on capital over the long term. Our basic investment approach is rooted in careful research, and patient, long-term investing. By choosing investments that we believe are priced at a discount to their intrinsic or "fair" value, we generally only purchase stocks for the long term. The time needed for value to be recognized in the stock market may be lengthy, 3 to 5 years or longer. By following this long-term approach, risk may be decreased and potential reward may be increased for investors who are patient enough to wait for the process to work. Baxter focuses primarily on company-level data, and macro- forecasting (economic, political, or market) is generally not a primary element of our decision-making process.

We strive to make our clients aware that investing in securities involves risks of loss that clients should be prepared to bear.

Each client portfolio may have unique needs, objectives, restrictions, and characteristics. If any account becomes unbalanced as a result of the price movement of an individual security, it will not necessarily be adjusted. The investment may be held for tax considerations, or until it is fully priced in our view, among other reasons. Thus, some client accounts may not be as diversified as others under Baxter's management.

Additional sources of information and research for our investment selections include, but are not

limited to: company reports, SEC filings, computer databases, newspaper/magazine articles, analyst meetings and industry seminars, corporate presentations, conference calls, third party reports, and discussions with other investment analysts and corporate personnel.

### **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 Baxter Investment Management or the integrity of Baxter Investment Management’s management. Baxter Investment Management has no information to disclose applicable to this Item.

### **Item 10 – Other Financial Industry Activities and Affiliations**

Baxter Investment Management has no information to disclose applicable to this Item as our firm and our principals have no other industry affiliations and devote all their time and efforts to the advisory business of the firm and for our clients.

### **Item 11 – Code of Ethics**

Baxter Investment Management has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Baxter Investment Management must acknowledge the terms of the Code of Ethics annually, or as amended. We will provide a copy of our Code of Ethics to any client or prospective client upon request.

Baxter Investment Management anticipates that, in appropriate circumstances, consistent with clients’ investment objectives, it will cause accounts over which Baxter Investment Management has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which Baxter Investment Management, its affiliates and/or clients, directly or indirectly, have a position of interest. Baxter Investment Management’s employees and persons associated with Baxter Investment Management are required to follow Baxter Investment Management’s Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Baxter Investment Management and its affiliates may trade for their own accounts in securities which may be similar or different than those recommended to and/or purchased for Baxter Investment Management’s clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Baxter Investment Management will not interfere with (i) making decisions in the best interests of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt

transactions, based upon a determination that these would materially not interfere with the best interest of Baxter Investment Management's clients. In addition, the Code requires pre-clearance of certain types of transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is monitored under the Code of Ethics, and to reasonably detect conflicts of interest between Baxter Investment Management and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with Baxter Investment Management's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs pro-rata and receive securities at a total average price. Baxter Investment Management will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order. Baxter Investment Management's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting John Baxter Director of Marketing.

It is Baxter Investment Management's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Baxter Investment Management will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

## **Item 12 – Brokerage Practices**

### ***Brokerage Discretion:***

Baxter may recommend that clients establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, Member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Schwab Institutional is not affiliated with Baxter and provides Baxter with access to its institutional trading and operations services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors at no charge to them so long as a total of at least \$10

million of the advisor's clients' assets are maintained in accounts at Schwab Institutional. Schwab Institutional services include research, brokerage, custody, 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. Schwab Institutional also makes available to Baxter non-soft dollar related products and services that benefit Baxter but may not benefit its clients' accounts. Some of these other products and services assist Baxter in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of Baxter's fees from its clients' accounts, and assist with back-office support, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of Baxter's accounts, including accounts not maintained at Schwab Institutional. Schwab Institutional may also provide Baxter with other services intended to help Baxter manage and further develop its business enterprise. These services may include consulting, publications, conferences and presentations on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, Schwab may make available, arrange and/or pay for these types of services to Baxter by independent third parties. 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 Baxter. Except for the \$10 million client asset custody requirement described above, the availability to Advisor of the foregoing products and services is not contingent upon Advisor committing to Schwab Institutional any specific amount of business (assets in custody or trading).

Baxter will generally aggregate the purchase or sale of securities for various client accounts where it has the opportunity to do so. In the event that Baxter is unable to aggregate order, such orders may not be executed at the same commission rate as the client account would have incurred had the orders been aggregated.

***Client Directed Brokerage:***

Certain clients may request that Baxter direct brokerage to specific brokers-dealers. Directed accounts may not be included in the aggregation of other client orders, and the placement of directed account trades will be delayed until the completion of other Baxter client orders, rather than executed simultaneously with those orders. Therefore, clients directing brokerage may pay greater commission costs and receive less favorable executions than are otherwise obtainable by Baxter. In the event a client directs Baxter to use a specific broker-dealer, Baxter will not necessarily attempt to negotiate better commission rates than those arranged between the client and the broker-dealer selected by the client.

If a client directs Baxter to use a specific broker-dealer to execute transactions for its account, it is such client's responsibility to ensure that using the designated broker- dealers in the manner directed

is in the best interests of the client's account and any beneficiaries of the account, taking into consideration the services provided by the designated broker- dealers

In addition, it is the client's responsibility to (i) consider information concerning broker- dealer's execution capabilities and pricing or other information client believes relevant; (ii) conclude that broker-dealer is capable of providing best execution of transactions for client's account; and (iii) determine that the rates for commissions, commission equivalents, mark-ups, markdowns and other fees that apply to client's account are appropriate and reasonable, for all transactions in client's account, in relation to the value of broker-dealer services received by or made available to client.

In selecting or recommending Schwab Institutional, although we do not consider whether we or a related person receives client referrals from Schwab Institutional, we actively participate in a referral program offered by Schwab Institutional. For further discussion concerning the Schwab Institutional referral program and certain of the conflicts of interest that it may cause, please see Item 14.

### **Item 13 – Review of Accounts**

#### ***Review of Accounts:***

The Chief Portfolio Manager is generally responsible for reviewing client accounts, and is directed to construct and maintain portfolios in accordance with the firm's guidelines and the specific needs, objectives, and restrictions (if any) of clients. The individual securities held by clients are routinely and continuously monitored. Changes in the performance or expected performance of such securities may prompt changes in portfolio holdings.

The Chief Portfolio Manager, or other member of the firm, may meet and/or consult with individual clients to discuss investment philosophy, asset allocation, client needs, individual holdings, and other topics, and to answer any client questions. Clients are encouraged to personally meet (either in person or via telephone) with the Chief Portfolio Manager or other members of the firm on at least an annual basis, and as often as quarterly if they prefer.

#### ***Frequency of Reviews:***

Portfolios are reviewed by the Chief Portfolio Manager quarterly at a minimum, and more frequently based upon changes in the buy, sell, hold strategy of the firm, portfolio securities values, and client objectives, among other factors. Quarterly portfolio reviews include a calculation and analysis of the current holdings and valuation of the portfolio, and a review of general market conditions and outlook. Inquiries by the client about a specific investment or other matter may prompt a review. Market performance of certain investments or industry sectors may prompt a re-appraisal of any portfolios holding such investments. A bond maturity or redemption requiring redeployment of funds may be another opportunity for a portfolio review.

### ***Content and Frequency of Reports:***

Baxter provides portfolio management clients with a quarterly report that includes account holdings and reports on transactions. Certain reports may also include a short description of earnings and outlooks on investments. A small minority of our portfolio management clients also receive performance information on their account as part of those reports.

Baxter's reports are either written or available through a web-based platform.

## **Item 14 – Client Referrals and Other Compensation**

### ***Additional Compensation:***

Baxter does compensate an individual for client referrals in accordance with Rule 206(4)-3 of the Investment Advisors Act of 1940. Such individual is no longer actively soliciting clients on behalf of Baxter but does receive a portion of the fee from clients referred from past activities. Referred clients have acknowledged the referral relationship and compensation shared with the individual.

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

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

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

accounts be held in custody at Schwab.

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

For accounts of Baxter's clients maintained in custody at Schwab, Schwab will not charge the client separately for custody but will receive compensation from Baxter's clients in the form of commissions and other transaction-related compensation on securities trades executed through Schwab. Schwab will also 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, Baxter may have an incentive to cause trades to be executed through Schwab rather than through another broker-dealer. Baxter nevertheless, acknowledges its duty to seek best execution of trades for its client accounts. Trades for client accounts held in custody at Schwab may be executed through a different broker-dealer than trades for Baxter'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.

## **Item 15 – Custody**

Clients should receive monthly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. They will be sent to the email or postal mailing address you provided. Baxter Investment Management 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**

### ***Investment Discretion:***

Baxter has discretionary authority to supervise and direct the investment of the assets under its management, without obtaining prior specific client consent for each transaction. This authority is subject to such limitations as a client may impose by notice in writing. Under its discretionary authority, Baxter may make the following determinations in accordance with the client's investment objectives, without prior consultation or consent before a transaction is effected:

Which securities to buy or sell;

- The total amount of securities to buy or sell; or
- The commission rates at which securities transactions for clients' accounts are effected. The amount of a broker's commission is a matter of negotiation, and Baxter tries to obtain the best available rate. The value of research services provided by the broker typically is not a factor.
- Baxter does not give advice on, or assume responsibility for, the voting of client proxies.

In some instances, clients may direct Baxter not to invest in particular securities or industry sectors (i.e. tobacco companies).

Research services provided or arranged by brokers through which Baxter effects securities transactions may be used in servicing all of the firm's client accounts. Such research services may not be limited to the use of those accounts that have paid commissions to the brokers providing such services.

To the extent consistent with its duty to seek best execution, Baxter may effect transactions through broker-dealers that have or are expected to refer clients to the firm (see 12 above).

Before we assume discretionary authority for a client, we require that client to execute an advisory agreement with us.

## **Item 17 – Voting Client Securities**

### ***Proxy Voting:***

Baxter does not take any action or render any advice with respect to the voting of proxies for the issuers of securities maintained in our clients' portfolios. Each client retains proxy voting authority and is responsible for the exercise of his/her proxy voting rights and for making all elections relative to class action litigation and other similar events. Client may contact us with questions about a particular solicitation.

## **Item 18 – Financial Information**

Baxter Investment Management does not require or solicit prepayment of fees from clients more than three months in advance.

Baxter Investment Management 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.

**Brochure Supplement: Form ADV Part 2B**

**William J. Baxter III**  
**Baxter Investment Management**

203-637-4559

March 30, 2020

**This Brochure Supplement provides information about William J. Baxter III that supplements the Baxter Investment Management Brochure. You should have received a copy of that Brochure. Please contact John Baxter, Director of Marketing if you did not receive Baxter Investment Management’s Brochure or if you have any questions about the contents of this supplement.**

**Additional information about William J. Baxter III is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

***Educational Background and Business Experience***

**William J. Baxter III**, President, Chief Portfolio Manager

Born: 1965, New Rochelle, NY

Education: Colgate University, BA Political Science and Economics (1987)

Employment: Baxter Investment Management, Director, Pres. & Chief Portfolio Manager (1996 – present) and Secretary and Treasurer (2013 – present)

Baxter Investment Management, Chief Portfolio Manager (1989 – 1996)

Glickenhau & Co., Analyst (1987 – 1989)

Licenses: Series 65 (1992)

***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 each supervised person providing investment advice. No information is applicable to this Item.

***Other Business Activities***

No information is applicable to this Item.

***Additional Compensation***

No information is applicable to this Item.

***Supervision***

The activities of William J. Baxter, III, are subject to oversight and supervision by John C. Baxter, our Chief Compliance Officer. The firm requires all of its personnel to comply with its internal compliance policies and procedures, which the firm uses in connection with monitoring the advice William J. Baxter III provides to clients.

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**John C. Baxter**  
**Baxter Investment Management**

203-637-4559  
March 30, 2020

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**Additional information about John C. Baxter is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

***Educational Background and Business Experience***

**John Charles Baxter**, Director of Marketing, Chief Compliance Officer

Born: 1975, New Rochelle, NY

Education: Saint Mary’s College (1993 – 1999)

Employment: Baxter Investment Management (March 2002 – present)

UBS PaineWebber, Financial Advisor, (Oct. 1999 – March 2002)

Licenses: Series 66 (2000)

***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 each supervised person providing investment advice. No information is applicable to this Item.

***Other Business Activities***

No information is applicable to this Item.

***Additional Compensation***

No information is applicable to this Item.

### *Supervision*

John C. Baxter's activities are subject to oversight and supervision by William J. Baxter Jr., our Chief Executive Officer. The firm requires all of its personnel to comply with its internal compliance policies and procedures, which the firm uses in connection with monitoring the advice John C. Baxter provides to clients.

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## **Jonathan Bradford Smith Baxter Investment Management**

203-637-4559

March 30, 2020

**This Brochure Supplement provides information about Jonathan Bradford Smith that supplements the Baxter Investment Management Brochure. You should have received a copy of that Brochure. Please contact John Baxter, Director of Marketing if you did not receive Baxter Investment Management's Brochure or if you have any questions about the contents of this supplement.**

**Additional information about Jonathan Bradford Smith is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

### *Educational Background and Business Experience*

**Jonathan Bradford Smith**, Director of Research, Portfolio Manager

Born: 1964, New Rochelle, NY

Education: Princeton University, A.B. (1986)

Employment: Baxter Investment Management, Director of Research (May 2000 – present)

Haebler Capital, Director of Research (1994 – 2000)

Steinberg Asset Management, Portfolio Manager (1989 – 1993)

Northcote Partners, Associate/Securities Analyst (1986 – 1989)

Licenses: Series 65 (2001)

### *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 each supervised person providing investment advice. No information is applicable to this Item.

### *Other Business Activities*

No information is applicable to this Item.

***Additional Compensation***

No information is applicable to this Item.

***Supervision***

Jonathan Bradford Smith's activities are subject to oversight and supervision by John C. Baxter, our Chief Compliance Officer. The firm requires all of its personnel to comply with its internal compliance policies and procedures, which the firm uses in connection with monitoring the advice Jonathan Bradford Smith provides to clients.

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**Damon Lane Hart**  
**Baxter Investment Management**

203-637-4559

March 30, 2020

**This Brochure Supplement provides information about Damon Lane Hart that supplements the Baxter Investment Management Brochure. You should have received a copy of that Brochure. Please contact John Baxter, Director of Marketing if you did not receive Baxter Investment Management's Brochure or if you have any questions about the contents of this supplement.**

**Additional information about Damon Lane Hart is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

***Educational Background and Business Experience***

**Damon Lane Hart**, Director of Operations

Born: 1965, Illinois

Education: Rice University, Master of Computer Science (1993)

Rice University, B.A. Chemical Physics (1987)

Employment: Baxter Investment Management, Director of Operations (October 2018 – present)

DLH Technical Services, Inc., President (2001 – Present)

Raylor Asset Management Group, LLC, Managing Director (2011 – 2018)

Licenses: Series 65 (2019)

***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 each supervised person providing investment advice. No information is applicable to this Item.

### ***Other Business Activities***

David L. Hart serves as President of DLH Technical Services, Inc. a technology services company which provides strategic technology direction and support for a family-owned auto dealership. Mr. Hart's outside activity does involve an estimated eight hours per month during the firm's normal business hours.

### ***Additional Compensation***

Damon L. Hart receives compensation from DLH Technical Services based on performing hourly or flat fee projects.

### ***Supervision***

Damon L. Hart's activities are subject to oversight and supervision by John C. Baxter, our Chief Compliance Officer. The firm requires all of its personnel to comply with its internal compliance policies and procedures, which the firm uses in connection with monitoring the advice Damon L. Hart provides to clients.

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## **William J. Baxter IV**

### **Baxter Investment Management**

203-637-4559

March 30, 2020

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**Additional information about William J. Baxter IV is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

### ***Educational Background and Business Experience***

**William J. Baxter IV, Portfolio Manager**

Born: 1995, Connecticut

Education: Colgate University (2013-2017)

Employment: Baxter Investment Management, Portfolio Manager (January 2020 – present)  
Bank of America, Financial Advisor (May 2018 – December 2019)

Merrill Lynch, Financial Advisor (November 2017 – December 2019)  
Licenses: FINRA Series 7 (2018), Series 66 (2018) and SIE (2018)

***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 each supervised person providing investment advice. No information is applicable to this Item.

***Other Business Activities***

No information is applicable to this Item.

***Additional Compensation***

No information is applicable to this Item.

***Supervision***

William J. Baxter IV's activities are subject to oversight and supervision by John C. Baxter, our Chief Compliance Officer. The firm requires all of its personnel to comply with its internal compliance policies and procedures, which the firm uses in connection with monitoring the advice William J. Baxter IV provides to clients.

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