

Firm Brochure
(Part 2A of Form ADV)

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This brochure provides information about the qualifications and business practices of Hauck Wealth Management (HWM). From time-to-time, we may refer to the document as the "Brochure." If you have any questions about the contents of the Brochure, please contact us at: 717-293-7172, or by e-mail at: ehauck@hauckwm.com. The information in the Brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC), the Pennsylvania Securities Commission (PSC), or by any other state securities authority.

Additional information about HWM is available for review on the SEC's website at www.adviserinfo.sec.gov. The website of the Pennsylvania Securities Commission at www.psc.state.pa.us provides a list of investment advisers registered with the PSC. HWM should be listed on this site after the PSC has approved the application for registration of HWM submitted February 9, 2012. Registration with the SEC, the Pennsylvania Securities Commission, and/or other state securities commissions does not imply a certain level of skill or training.

February 10, 2012

Material Changes

Annual Update

The **Material Changes** section of this Brochure will be updated annually, and also promptly whenever material changes occur.

Material Changes since the Last Update

1. On July 20, 2010 the Dodd-Frank Wall Street Reform and Consumer Protection Act was signed into law. One provision of the Act was to change the criteria by which investment advisers determine whether they register with the U.S. Securities and Exchange Commission ("SEC") or state securities regulators. Dodd Frank raised the threshold for SEC registration from the current \$30 million to \$100 million. Advisers with assets under management under \$100 million are designated as "mid-sized" advisers. Mid-sized advisers must register with its applicable state(s) securities commission. We submitted an application to register with the Pennsylvania Securities Commission ("PSC") on February 9, 2012. When we receive notice that this application for registration is effective, we will withdraw our registration with the SEC.
2. Hauck Wealth Management has contracted with Counsel Financial LLC (CF) of York Pennsylvania to provide access to CF's internal research on investment managers, individual securities, and alternative investments; research provided to CF by its investment advisers and research purchased by CF from Fund Evaluation Group (FEG). This relationship is discussed in the Methods of Analysis section of this Brochure.

Full Brochure Available

Whenever you would like to receive a complete copy of our Brochure, please contact Edward A. Hauck by telephone at: 717-293-7172 or by email at: ehauck@hauckwm.com.

Table of Contents

Material Changes.....	ii
Annual Update	ii
Material Changes since the Last Update	ii
Full Brochure Available	ii
Advisory Business	1
Firm Description	1
Types of Advisory Services.....	2
Tailored Relationships	3
Types of Investments.....	3
Agreements	4
Termination of Agreement	4
Fees and Compensation	5
Description	5
Fee Billing	5
Investment Company (Mutual Fund, Closed End Fund, Unit Investment Trust (UIT) and Exchange Traded Fund (ETF)) Internal Costs	6
Custodian / Brokerage Commissions, Fees and Costs	6
Performance-Based Fees	7
Sharing of Capital Gains	7
Types of Clients.....	7
Description	7
Methods of Analysis, Investment Strategies and Risk of Loss.....	8
Methods of Analysis.....	8
Investment Strategies	9
Risk of Loss	9
Disciplinary Information	11
Legal and Disciplinary.....	11
Other Financial Industry Activities and Affiliations	11
Financial Industry Activities.....	11

February 10, 2012

Affiliations	11
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	11
Code of Ethics and Potential Conflicts of Interest	11
Participation or Interest in Client Transactions.....	11
Personal Trading.....	12
Brokerage Practices.....	12
Selecting Brokerage Firms and Trust Companies.....	12
Best Execution	15
Soft Dollars	16
Order Aggregation and Trade Allocations.....	16
Review of Accounts	17
Periodic Reviews	17
Review Triggers.....	17
Regular Reports.....	17
Client Referrals and Other Compensation	18
Incoming Referrals.....	18
Referrals Out	18
Other Compensation.....	18
Custody.....	18
Account Statements.....	18
Performance Reports.....	18
Technical Definition of Custody	19
Investment Discretion.....	19
Discretionary Authority for Trading.....	19
Limited Power of Attorney.....	19
Voting Client Securities	19
Proxy Votes	19
Financial Information	20
Financial Condition	20
Requirements for State-Registered Advisers	20

February 10, 2012

Brochure Supplement (Part 2B of Form ADV)	21
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Advisory Business

Firm Description

HWM was established in 1994 by Edward A. Hauck. Ed remains the sole owner of the investment adviser, which operates under the name HWM. HWM, through Ed, provides personalized investment and financial advice to individuals, pension and profit sharing plans, trusts, estates, charitable organizations and small businesses.

Mission of Hauck Wealth Management (HWM)

Clients strive to attain financial independence and security. HWM helps them understand the complexities of growing and preserving their wealth. HWM provides financial and tactical information to clients to help them and their other financial advisers make important investment, estate planning and tax decisions. These other advisers may include lawyers, accountants, insurance agents, and similar professionals.

Wealth Management Approach

Wealth management involves more than just investment management. It begins with developing an understanding of the client's financial goals and objectives. HWM will collect information on matters such as the client's family situation, assets, investments, tax status, present estate plan, and insurance programs. HWM uses this information to evaluate and set realistic financial goals. We work with our clients to develop a financial strategy to hopefully meet his or her goals to grow and/or preserve wealth. This strategy is then implemented.

Successful wealth management includes some or all of the following activities:

- projecting investment growth to meet inflation-adjusted principal and income goals;
- creating an investment structure that reduces both income and estate taxes;
- generating non-investment strategies to reduce estate and/or income taxes;
- using the tax-advantaged strategies of various retirement plans for wealth accumulation;
- obtaining appropriate disability, life, and long term care insurance;
- advising on estate planning to achieve family protection and wealth transfer;
- coordinating strategies with the client's other advisers; and

- providing referrals to the client, upon request, of other financial professionals who may be of assistance in implementing a wealth management plan.

HWM is a firm that limits its business to fee-only investment management. We do not sell annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other commissioned products. We are not affiliated with entities that sell financial products, insurance, or securities. HWM does not accept commissions in any form or any finders' fees. We have no financial interest in what securities constitute a particular client's portfolio. If however, conflicts of interest arise at any time during our relationship with a client, we will immediately disclose the existence of the conflict to our client.

We will have a meeting with a prospective client before we enter into any formal relationship. This initial meeting, which may be by telephone, is free of charge. We view it as an exploratory interview without obligation or responsibility by either HWM or the client to proceed with any business relationship. During, and following this initial meeting, both HWM and the client will evaluate whether it makes sense to enter into a business relationship.

If we both agree to enter into a relationship, we will then discuss the type, nature and scope of services and draw up an agreement.

Types of Advisory Services

HWM provides both investment supervisory services and investment advisory services not involving investment supervisory services. On more than an occasional basis, HWM furnishes advice to clients on matters not involving securities, such as those described in the paragraph entitled Wealth Management Approach described above.

Investment Supervisory Services

Investment supervisory services include continuous investment advice to a client with investments based on his or her individual needs, assets, and personal and family obligations.

The process may begin with a determination of the client's financial goals. We review the client's present assets, income, and family situation, and other similar data points. Variables such as asset allocation strategies, amount of annual investment, and the time remaining to achieve goals are compared to the client's present and future resources. During this process, we work to reach an agreement with the client on a strategy to hopefully achieve wealth objectives.

Management of investment advisory accounts not involving investment supervisory services

For clients seeking management of advisory accounts not involving investment supervisory services, we generally follow an intake process similar to that for an investment supervisory services client. The advice and management may not be continuous in nature, or may not be based on the client's total financial objectives. We evaluate the client's goal for investment advisory assets and work to reach agreement on investment strategies. HWM may handle only a portion of the client's investments and the client may direct us to satisfy some, but not all, of the client's specific investment goals.

As of 12/31/2011, HWM managed approximately \$76,675,647 assets for approximately 31 clients. Approximately \$53,469,807 is managed on a discretionary basis, and \$23,205,840 is managed on a non-discretionary basis.

Tailored Relationships

The goals, objectives and financial information given us by the client form the basis for setting financial goals and developing investment strategies. We create investment policy statements to document the investment strategies. Clients may impose restrictions on those investment strategies at any time, such as not investing in certain securities or types of securities.

Types of Investments

Fund and Unit Investment Trust (UIT) Investments

HWM uses no load (no sales commission) open-end mutual funds, closed-end funds, exchange traded funds and UITs for clients' investments. Through such funds clients access a nation-wide selection of money managers. This provides a depth of money management talent otherwise unavailable in any one firm or geographical area.

Equity Funds and UITs - Through such funds and UITs, HWM delivers a mix of investment styles, company sizes, industry specializations, and international diversification. The specific mix of funds is based on the client's financial targets and risk tolerance.

Fixed Income Funds and UITs - These funds are selected based on client goals, risk tolerance, and need for current income and liquidity. For clients seeking current income, the fixed income portion of their portfolios is critically important. If income is more than adequate for current needs, total return, as opposed to pure income generation and safety of principal, may be considered. Full ranges of taxable and tax-free investments, including securities with some equity characteristics (such as high yield and convertible securities) are possible investments.

Individual Securities

Portfolios of individual securities are tailored to meet specific client situations, such as tax sensitivity, concentrated holdings in a particular investment or market, or the wish to own fixed income investments with fixed maturity dates.

Exchange listed and over-the-counter securities are used in equity portfolios. Fixed income portfolios may include corporate debt securities, securities of the United States Government and its agencies, mortgage backed securities, certificates of deposits (CD), commercial paper and municipal and other federally tax exempt securities. Money market mutual funds are used to hold liquid cash balances.

HWM may also provide advice on variable annuities and variable life insurance. HWM does not offer or sell variable annuities or insurance.

HWM does not “recommend” partnerships investments. Clients may bring limited partnership investments to HWM for input and advice. HWM will give the client advice as to characteristics of the investment, especially the risks involved in these investments and advice as to how they fit into the client’s overall financial situation. The client decides whether to invest in the partnership and signs all account paperwork. HWM will not purchase these investments using the investment discretion given to HWM by virtue of any limited power of attorney in client accounts.

Initial public offerings (IPOs) are not available through HWM.

Agreements

The scope of work and fee is contained in the written Investment Advisory Agreement signed by both the client and HWM at the start of the relationship. The Agreement will include an investment policy statement, a grant or withholding of approval for investment discretion, decision on how proxies will be voted, fees, and disbursement authority.

We provide a copy of this Brochure and HWM’s Privacy Notice to the client either 48 hours in advance of signing an Agreement, or the client is given 5 days after signing the Agreement to cancel it without penalty or fee.

Agreements may not be assigned without client consent.

Termination of Agreement

The Investment Advisory Agreement is an ongoing agreement, but the length of service to the client is a mutual decision of the client and HWM. During the first year either HWM or the client can terminate the Agreement on 45 days notice and after the first year on thirty days written notice to the other party. At termination, fees will be billed on a pro rata basis to the termination date.

Fees and Compensation

Description

Investment Supervisory or Advisory Services

HWM charges annual fees to the client based on the following Schedule of Fees:

Fees are based on the market value of the client's total cumulative assets under management by HWM:

.85% for the first	\$ 500,000
.60% for the next	\$ 500,000
.35% on the amount over	\$ 1,000,000

HWM may also provide specialized investment services relating to assets not included above. HWM may negotiate fees with the client based on the same schedule defined above, a schedule different than the schedule defined above, on a flat fee or by some other method.

A minimum fee per client relationship will be negotiated with the client. The minimum annual fee will usually equal or exceed \$5,000.

Fees are negotiable. HWM, in its sole discretion, may waive our minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (These may include items such as historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition or negotiations with clients.). Some clients will pay fees that are different than those charged to other clients.

HWM may change its fees, but not without advance notice to our clients.

HWM shall not be compensated on the basis of capital gains or capital appreciation of the funds or any portion of the funds of the Account.

Fee Billing

Annual investment management fees are billed quarterly, in arrears, meaning that HWM invoices you after the three-month billing period has ended. Quarters may not coincide with calendar quarters (for example, quarters ending February, May, August, and November). Fees are based on average monthly market values. The calculation is described in the Investment Advisory Agreement.

Payment in full is expected at the time we present an invoice. Generally, HWM clients agree to permit us to deduct our fees from a designated account. Alternatively, the client may also pay the fees by check.

The client must consent in writing in advance to permit the fees to be paid directly from the account held by the custodian or broker. HWM must send an invoice to the client showing the fee calculation. Simultaneously, HWM will submit an invoice for payment to the custodian or broker for payment from the account.

NOTE - The custodian or broker has no responsibility to determine if the fee is properly calculated. HWM relies upon the broker or custodian to send the client a statement showing all fees paid to HWM.

Investment Company (Mutual Fund, Closed End Fund, Unit Investment Trust (UIT) and Exchange Traded Fund (ETF)) Internal Costs

All four of the securities listed in the lines above are investment company securities. We purchase them as no-load funds. This means HWM will only purchase these investments without an upfront charge being paid to the investment company (Custodian / brokerage firms may charge a transaction fee for the purchase of some funds as described in the next section). In some cases the investment company charges a load to retail customers, but HWM will only purchase these investments if those loads are waived.

All four of these investment company securities charge internal fees, commonly called the expense ratio. This means that fees, expressed as a percentage of assets, are deducted each year within the fund. Those fees, which include management, custody, marketing and other fees, are disclosed in the fund prospectus.

For example, an expense ratio of 0.50% means that the investment company charges 0.50% of the market value of assets in the fund each year for these services. Performance figures quoted by these investment companies in various publications are after their fees have been deducted.

HWM purchases these investments through discount brokers used as custodians of client assets. HWM does not receive any compensation from any investment company described in this section.

Custodian / Brokerage Commissions, Fees and Costs

Custodians and discount brokerage firms may charge transaction fees and/or commissions on purchases or sales of investment company securities described in the paragraph above. These transaction charges are usually small and incidental to the purchase or sale of a security. The selection of the security is more important than the nominal fee that the custodian charges to

buy or sell the security. Some mutual funds and custodians charge redemption fees to protect shareholders from trading costs or excessive admissions and withdrawals from the funds.

Stocks and bonds are purchased or sold through the custodian / broker with fees paid by the client for these trades. These fees may include both a commission and a mark up to the broker on these trades.

Trust company custodians will charge asset based fees based on the market value of the client's assets held in custody or under management, usually with a minimum annual fee.

HWM does not receive any part of these commissions, mark ups, transaction fees, or trust company asset based fees which are in addition to the fees the client pays to HWM.

Performance-Based Fees

Sharing of Capital Gains

Fees are not based on a share of the capital gains or capital appreciation of managed securities. HWM does not use a performance-based fee structure. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

Types of Clients

Description

HWM provides personalized investment and financial advice to individuals, pension and profit sharing plans, trusts, estates, charitable organizations and small businesses. Client relationships vary in scope and length of service.

HWM does not have a minimum account size, but does have a minimum annual fee per relationship of \$5,000 per year. Most clients that hire HWM will have \$500,000 or more of investable assets. See the Fees and Compensation section above for more complete information.

Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

HWM has contracted with Counsel Financial LLC (CF) of York, Pennsylvania to provide access to CF's investment research resources. This includes:

- CF's internal research on investment managers, individual securities, and alternative investments.
- CF also retains Fund Evaluation Group (FEG) to provide economic and market analysis, plus research and recommendations on asset allocation, managers, and specific investments (including alternatives).
- CF also obtains economic and market analysis and individual security analysis from top investment adviser firms. These firms are analyzed and monitored by both CF and FEG and selected based on a variety of quantitative and qualitative factors. Different managers are selected for different sectors of the market for which they have demonstrated particular expertise. These managers are available through mutual fund investments or are hired to manage private funds for the Counsel Trust Company. Those private funds are only available to clients who have a trust relationship with the Counsel Trust Company.

Other sources of information utilized by HWM include financial newspapers and magazines, research materials prepared by others, corporate rating services, annual reports, prospectuses, filings with the Securities and Exchange Commission (SEC), and company press releases.

HWM uses a variety of sources to research investments and evaluate market conditions. HWM does not utilize any confidential, non-public information that is not available to the general investing public. HWM makes recommendations based on its evaluation of the information, but does not guarantee the performance of any investment or any specific results of its strategies.

HWM has access to published services that provide analyses of funds and UITs. Based on this data HWM blends available funds and UITs into a portfolio diversified in various financial markets. It also relies on information in the financial press or provided by companies to investors through press releases, annual reports, prospectuses, and filings with the SEC. Research materials provided by brokers and other financial rating agencies or investment services are also utilized.

Investment Strategies

HWM's investment strategies are designed for long term investors, although some funds or securities are sold within a year of purchase.

Equity investors are broadly classified into Conservative Growth, Growth, and Aggressive Growth. HWM has developed model equity portfolios which are representative of its ideas for implementing investment strategies for these broad classifications (absent any constraints placed upon it by existing client assets, tax consequences, income requirements, or client preferences). The investment mix in the models is meant to reflect HWM's long term investment outlook, and investment changes will occur less frequently than in its individual accounts.

Individual accounts are usually invested to mirror one of the three models, but HWM often tailors its mix of funds and UITs to the unique requirements of the client in accordance with its overriding mission and business philosophy.

Depending on the investor's risk tolerance, a portion of the portfolio may normally hold or be moved into cash equivalents. Some cash equivalents will be held for future buying opportunities, and may be increased or decreased when HWM feels that one or more target markets are over- or under-valued and a better opportunity to buy assets in certain market(s) will prevail in the future. HWM may also under- or over-weight certain target markets compared to the models based on market considerations.

We develop a fixed income investment strategy to meet the needs of each particular client. HWM does not intend to maintain fixed income model accounts. Fixed income investing begins with the client's need for current income. If income is more than adequate for current needs, total return may be considered. Both mutual funds and individual securities are used depending on the client's risk tolerance, current income requirements, and/or total return goals.

HWM cannot guarantee to the client that our investment strategies will achieve the objectives of the client and /or HWM.

Risk of Loss

All investment programs have certain risks that the investor will bear. HWM's investment approach keeps the risk of loss in mind. Clients face the following investment risks:

- **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.

- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **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.

Disciplinary Information

Legal and Disciplinary

Neither HWM nor anyone employed by it have been involved in legal or disciplinary events related to past or present investment clients.

Other Financial Industry Activities and Affiliations

Financial Industry Activities

HWM has no other financial activities.

Affiliations

HWM has no affiliation (shared ownership) arrangements.

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics and Potential Conflicts of Interest

HWM has adopted a code of ethics requiring all personnel associated with the company to act as fiduciaries solely in the best interest of our clients. The code sets out principles to be followed and obligations of all those associated with the company. Copies of HWM's Code of Ethics are available by calling Edward A. Hauck at 717-293-7172 or by writing to him at 1712 Glenbrook Avenue, Lancaster, PA 17603-4567.

Potential conflicts of interest in the selection of brokerage firms and trust companies are highlighted in Selecting Brokerage Firms and Trust Companies. HWM does not believe any relationships highlighted in this section present significant potential for conflicts of interest detrimental to clients.

Participation or Interest in Client Transactions

Employees comply with the provisions of the HWM Compliance Manual.

No owner or employee will participate in any trade in which securities are allocated to client accounts.

The owner or employees may buy or sell the same securities recommended to clients. Changes in the mix of client securities and the resulting trades will be completed before any personal transactions. The owner and all employees are small investors without the ability to affect markets.

The owner and employees may also buy, sell, or hold securities that are not recommended to clients, or that are considered inappropriate for client accounts. Securities positions may be more concentrated than would be appropriate for a client. Owners and employees will not purchase securities on any special terms unavailable to a normal retail investor.

HWM is not a broker/dealer and will not act as a principal or agent in any security transaction.

Personal Trading

The Chief Compliance Officer of HWM is Edward A. Hauck. He reviews all employee trades each quarter. The personal trading reviews ensure that the personal trading of employees does not affect the markets, and that clients of HWM receive preferential treatment. Since most employee trades are small mutual fund trades or exchange-traded fund trades, the trades do not affect the securities markets.

Brokerage Practices

Selecting Brokerage Firms and Trust Companies

Brokerage Firms

HWM recommends that our clients use registered broker/dealers who are members of SIPC as their qualified custodians, such as Charles Schwab & Co., Inc. (Schwab) and Fidelity Brokerage Services LLC (Fidelity). These recommendations are based on the proven integrity and financial responsibility of these firms and the range of services offered by these firms to HWM and our clients.

HWM believes the terms on which these services are offered is advantageous compared to other providers. HWM considers the combination of transaction and custody services, capability to handle transfers and payments from accounts, breadth of investment products, price competitiveness (although the lowest price is not the deciding factor), and support services as described below.

While HWM usually recommends that the client use one of these firms as custodian/broker, the client will decide whether to do so. With our assistance the client opens an account by signing an account agreement directly with those brokers.

Schwab and Fidelity will hold your assets in a brokerage account and buy and sell securities when HWM or the client instruct them to do so. (See the Investment Discretion section below.) Schwab or Fidelity generally do not charge you separately for custody services but are compensated by charging you commissions or other fees on trades that they execute or that settle into your account with them.

Commissions and fees applicable to your account are based on the condition that HWM clients collectively maintain a total of at least \$10 million each in accounts at Schwab and Fidelity. (Client asset levels at Schwab and Fidelity both comfortably exceed the \$10,000,000 threshold; eliminating the need to steer assets to one broker over another.) These combined asset levels benefit the client because the overall commission and fees charged to the client are lower than they otherwise would be. Schwab and Fidelity would also charge HWM additional fees if those asset levels were not maintained. Clients benefit because HWM does not need to have higher fees to offset those additional charges.

HWM normally makes trades through the account's custodial broker, i.e. Schwab, or Fidelity. HWM may place trades with brokers other than Schwab or Fidelity through a prime broker arrangement. A prime broker trade is a trade executed at another broker but which settles into the client's Schwab or Fidelity account. The client agrees to use Schwab or Fidelity as a prime broker by signing a separate account agreement.

HWM selects the broker based on some specialized expertise or access to securities with limited supply (municipal bonds as an example) that are generally not available through all brokers simultaneously. Commissions and/or spreads may be higher than the account's custodial broker to compensate the outside broker for their specialized expertise.

The client will also pay a prime broker service fee; currently \$20-25 per trade. HWM will only use brokers other than Schwab or Fidelity if any additional costs to the client are reasonable in the judgment of HWM.

Schwab Adviser Services is Schwab's business unit serving independent investment advisers like HWM. National Financial Services LLC and Fidelity Brokerage Services LLC are Fidelity's business units serving advisers like HWM and their clients.

Schwab and Fidelity provide HWM and our clients with institutional brokerage services; many of which are not typically available to Schwab retail customers. These services assist HWM in managing and administering client accounts. They include software and other technology that (i) provide access to client data such as trade confirmations and account statements; (ii)

facilitate trade execution and order allocation; (iii) provide research, pricing, and other market data; (iv) facilitate payment of fees from client accounts, and (v) assist with back office functions, recordkeeping and client reporting. Schwab and Fidelity also make available various other support services, such as performance reporting, third party research, publications, access to educational conferences and other practice management resources.

Some of these services help HWM to manage or administer our client accounts, while others help us manage and grow our business. These services are generally available on an unsolicited basis (HWM does not have to request them) and at no charge to HWM as long as combined client assets at Schwab and Fidelity exceed levels as discussed above. The client benefits from some services, some services benefit some but not all of our clients, and some generally benefit only HWM.

The availability of these services benefits us because HWM does not need to produce or purchase them. They also benefit clients as they help HWM to maintain lower client fees. HWM attempts to obtain best execution on client transactions, but does not base its decisions solely on obtaining the lowest stated commissions. Absent these broader services, HWM might have to employ additional clerical staff to keep records of trades at other lower cost brokers. The search for the lowest commission might produce higher total client costs, if HWM administrative costs were to increase and then be passed on as higher client fees.

As a fiduciary, HWM tries to act in our clients' best interests. HWM's recommendation that clients maintain their assets in accounts at Schwab or Fidelity may be based in part on the benefit to HWM of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by these brokers, which may create a potential conflict of interest.

HWM does not receive any portion of the transaction fees or commissions paid by the client to Schwab, Fidelity or any other custodian. HWM is independently owned and operated and not affiliated with Schwab, Fidelity, or any other custodian.

Trust Companies

HWM may also choose to use trust companies as qualified custodians. Trust companies may provide discretionary trust services, special tax and accounting services and other services in addition to holding client assets. Trust companies may or may not offer investment advisory services.

HWM expects to recommend (but not exclusively) the Counsel Trust Company (CTC) as a trust company custodian and investment provider. CTC can provide a combination of some or all of the services mentioned above as well as access to certain investment opportunities. These opportunities may include

- private investment funds provided by CTC (as discussed in the Method of Analysis section.)
- access to institutional share classes of mutual funds which have lower internal expense ratios than normal share classes and/or which could be purchased without the transaction fees charged for purchase and sale of these share classes at firms like Schwab and Fidelity. (See discussion of Investment Company Internal Costs in the Fees and Compensation section above.)
- access to investments not available to HWM at firms like Schwab and Fidelity.

As a fiduciary, HWM tries to act in our clients' best interests. HWM has a vendor relationship with Counsel Financial LLC (CF), the owner of the Counsel Trust Company, to provide certain support services to HWM including investment research, compliance support, back office support, IT management and other services. There is no shared ownership interest between HWM and CF. HWM's agreement with CF is for one year terms with annual renewals; unless terminated by either party. HWM's recommendation that clients maintain their assets at Counsel Trust Company may be based in part on benefits to HWM from its contractual relationship with Counsel Financial LLC and not solely on the nature, cost or quality of custody and trust services provided by Counsel Trust Company, which may create a potential conflict of interest.

Trust company custodians will charge asset based fees based on the market value of the client's assets held in custody or under management, usually with a minimum annual fee. In addition to these asset based fees clients may still incur brokerage and transaction fees charged by firms like Schwab and Fidelity to buy and sell investments as discussed in the Custodian / Brokerage Commissions, Fees and Costs section. Private funds like those provided by CTC will have internal expense ratios similar to investments discussed in the Investment Company Internal Costs section. HWM does not receive any portion of the fees and other costs described in this paragraph.

Best Execution

HWM reviews the trading commissions at each custodian each quarter.

HWM does not believe best execution on client transactions is based solely on obtaining the lowest stated commissions as discussed in the prior section **Selecting Brokerage Firms**.

HWM does not receive any portion of the trading fees.

Soft Dollars

“Soft dollar” practices generally occur when an investment adviser causes an account to pay more than the normal commission at a broker-dealer in return for research products and services. HWM does not use “soft dollars” to pay for services from Schwab or Fidelity. HWM has never had any agreement with any brokers to direct a specified dollar amount of brokerage commissions in exchange for any trading or other services.

Schwab and Fidelity provide HWM with other services as discussed in the **Selecting Brokerage Firms** above.

Order Aggregation and Trade Allocations

HWM does not do aggregated trades without a pre-determined list of clients and amounts of securities for that trade.

HWM buys and sells many securities for client accounts that are available in sufficient quantities and/or with enough trading activity to satisfy all client orders within a short time and with little if any difference in price. Mutual fund orders are all completed at the end of the trading day at the same price. Exchange traded funds (ETF) orders for multiple clients can be completed with little price difference. Treasury, and federal agency securities are available in sufficient quantities to execute all trades in one day, whether new issue or secondary purchases. Outside brokers may call with new issue bonds or unit investment trusts (UIT) available in sufficient quantities to satisfy all client orders. HWM will submit these orders to the custodial or outside broker using a pre-determined list of clients and amounts of securities for each account.

HWM also buys and sells securities which either are not available in sufficient quantities or do not have enough trading activity to allow all client trades to be placed in a short time without causing a movement in the price of the security to the detriment of the client. These trades must be allocated.

Various types of bonds, such as tax free municipal bonds, taxable municipal bonds and corporate bonds, become available in limited quantities for purchase. HWM maintains lists of clients' for whom these securities are appropriate. If the amount of securities available is insufficient for all appropriate client accounts, HWM will allocate certain trades to one or more clients, so that the bond positions meet minimum requirements for that security, and more importantly, provide a large enough position as a percentage of the account size. HWM is concerned that individual bond positions can be so small that a subsequent sale, if required, would severely impact the return on the security. A prime broker fee as discussed below would also impact small trades done on a pro rata basis. HWM will use its

discretion to treat all clients fairly in this process and make sure all clients receive securities on a rotating basis.

Some securities have limited trading activity so that multiple trades or certain quantities cannot be traded without moving the price. Closed-end funds and preferred stocks are the most common types of securities in this category. HWM develops a predetermined list of clients for whom it wishes to purchase or sell these securities, for predetermined dollar amounts, prices, and/or number of shares. If all client trades cannot be not executed within a short time, HWM may not allocate resulting order(s) to client accounts on a pro rata basis at the end of the trading day.

In many cases each client account is subject to a \$20-25 prime broker transaction cost on each trade. Completely or partially filling some, but not all, clients' allocations (especially for a limited quantity of bonds or a smaller number of shares) may save multiple prime broker fees, as opposed to each client getting a pro rata part of each trade. Even if trades for securities with limited trading activity are completed over more than one day, in most cases the price fluctuations of the securities purchased or sold are minor compared to the extra prime broker costs per share that would have been incurred. HWM will use its discretion to treat all clients fairly in this process

Review of Accounts

Periodic Reviews

Client reviews are undertaken at least semi-annually by Edward A. Hauck. Reviews may be performed more frequently when the market experiences higher levels of volatility or persistent gains or losses.

Review Triggers

Other conditions that may trigger a review are changes in investment information, new tax laws, and changes in a client's personal or financial situation. Changes in client accounts may be implemented at any time, if appropriate to the client's situation, subject to constraints placed upon HWM by the client.

Regular Reports

Clients receive account statements from the custodian or custodian broker at least quarterly and may receive interim statements if transactions are made during the quarter. These statements will contain summaries and detail investments. The statements show market values of investments, total

balances of and current yields on money market funds, and cash transactions (including receipts and disbursements of cash, HWM fee deduction, purchases and sales of investments, and receipt of interest/dividends). IRA statements include summaries of current and prior year contributions.

HWM also produces additional reports for selected clients showing historical rate of return information and comparing current market values to amounts invested in various assets. The frequency of those reports to clients is based on client preference, but in no event do they replace the account statements the clients receive directly from Schwab or other custodian.

Client Referrals and Other Compensation

Incoming Referrals

HWM has been fortunate to receive many client referrals over the years. The referrals came from current clients, attorneys, accountants, and other similar sources. The firm does not compensate referring parties for these referrals.

Referrals Out

HWM does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

Other Compensation

HWM receives no compensation not discussed in earlier sections of the Brochure.

Custody

Account Statements

HWM will not have the authority to withdraw client funds, nor will it serve as custodian of any client funds or securities. All assets are held at qualified custodians, which mean the custodians provide account statements directly to clients at their address of record at least quarterly.

Performance Reports

Clients are urged to compare the account statements received directly from their custodians to the additional statements provided by HWM.

Technical Definition of Custody

There is one circumstance in which HWM will be considered to have “custody” as defined by the SEC and the Pennsylvanian Securities Commission. HWM may submit invoices for the payment of HWM Investment Supervisory, or Advisory Fees to Schwab or other custodians if the client has specifically authorized those custodians to deduct those fees from the account and to pay those fees directly to HWM. A copy of the invoice will be mailed to the client prior to the submission of the invoice by HWM to the custodian. The authority to submit fee invoices to the custodian for payment meets the technical definition of “custody” of funds as defined by the SEC.

Investment Discretion

Discretionary Authority for Trading

Clients generally grant discretionary authority to HWM to manage securities accounts. Discretionary authority means that HWM has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. This authority is carried out in a way consistent with the investment policy that the client has approved in writing.

In rare case HWM will accept a client relationship which requires prior client approval of trades.

Limited Power of Attorney

A limited power of attorney is a trading authorization for this purpose. A client signs a limited power of attorney contained in his/her agreement with the custodian broker so that HWM may execute trades.

Voting Client Securities

Proxy Votes

Unless the client designates otherwise, HWM votes proxies for securities over which it maintains discretionary authority consistent with its proxy voting policy. A copy of HWM’s proxy voting policy is available upon request.

If HWM exercises this authority, the client must sign appropriate paperwork so that custodians forward proxies directly to HWM.

HWM has hired Glass, Lewis & Co. to provide recommendations as to how to vote proxies for individual common stocks held in client accounts and to handle the voting mechanics for all proxies voted by HWM. Proxies are voted in line with the recommendations of Glass, Lewis & Co. unless changed by HWM because of its analysis of the issues or at the request of the client. The client retains the right to direct voting on any security or issue concerning that security. If the client wishes to exercise that right on any security, they must contact HWM in writing. Glass, Lewis & Co. is an independent proxy advisory and voting firm.

HWM will vote proxies for all types of securities held in client accounts in the best interest of the client, as described in its Proxy Voting Procedure, with input from Glass, Lewis & Co. as described above. Conflicts may arise if HWM were receiving compensation from a firm on which HWM is voting a security. HWM has no relationships of that type presently.

Glass, Lewis & Co. will maintain records of proxies voted and supporting documentation. HWM has procedures for addressing potential conflicts of interest in voting proxies. If a client wants to know how HWM voted proxies for his/her securities, s/he may call 717-293-7172 to discuss the matter with Edward A. Hauck, principal of the firm, or write him at 1712 Glenbrook Ave. Lancaster, PA 17603-4567.

Financial Information

Financial Condition

HWM does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients. A balance sheet is not required to be provided to clients because HWM does not serve as a custodian for client funds or securities, and does not require prepayment of fees of more than \$600 per client, and six months or more in advance.

HWM submitted on February 9, 2012 a balance sheet dated December 31, 2012 to the Pennsylvania Securities Commission as part of its application for registration with that Commission.

Requirements for State-Registered Advisers

Additional information required for state-registered advisers is contained in the attached Brochure Supplement.

**Form ADV Part 2B
Brochure Supplement
Cover Page**

Name of Supervised Person/IA Rep	Edward A Hauck
Address	1712 Glenbrook Ave. Lancaster, PA 17603-4567
Phone Number	717-293-7172
Date of Last Revision – February 9, 2012	

This Brochure Supplement provides information about Edward A. Hauck that supplements the Hauck Wealth Management (HWM) brochure. You should have received a copy of that brochure. Please contact Edward A Hauck, Chief Compliance Officer if you did not receive the HWM brochure or if you have any questions about the contents of this supplement. Additional information about Edward A Hauck and HWM is available for review on the SEC's website at www.adviserinfo.sec.gov.

**Investment Advisory Firm:
HAUCK WEALTH MANAGEMENT
1712 Glenbrook Ave.
Lancaster, PA 17603-4567
717-293-7172
Fax 717-293-8722
ehauck@hauckwm.com**

Brochure Supplement (Part 2B of Form ADV)

Educational Background and Business Experience

Edward A Hauck

- Date of birth: 08/13/53
- Bucknell University, B.S. in Business Administration, 1975
- Certified Financial Planner (CFP) Designation 1980.
- Lehigh University, M.B.A. 1982.

Business Experience:

- HWM, Principal, September, 1994 to present.
- CoreStates/Hamilton Bank (now Wells Fargo), October 1982 to August, 1994

Edward A Hauck has earned a certification that is required to be explained in further detail.

Certified Financial Planner (CFP): Certified Financial Planners are licensed by the CFP Board to use the CFP mark. Present CFP certification requirements are as follows:

- Bachelor's degree from an accredited college or university.
- Completion of the financial planning education requirements set by the CFP Board (www.cfp.net).
- Successful completion of the 10-hour CFP® Certification Exam.
- Three-year qualifying full-time work experience.
- Successfully pass the Candidate Fitness Standards and background check.
- After certification completion of continuing education requirements. The current requirement is thirty (30) hours of continuing education every two years.

Disciplinary Information:

- An investment adviser and its investment advisory representatives must disclose any legal or disciplinary event that is material to the client's evaluation of the investment advisory business or the integrity of the IA representative. Ed does not have any disclosure items.

Other Business Activities:

Edward A Hauck has no business activities other than HWM.

Additional Compensation:

Edward A Hauck accepts no performance based fees or other compensation except as stated in the HWM Brochure.

Supervision:

Edward A Hauck, the owner of HWM also serves as Chief Compliance Officer. Ed can be reached by telephone at 717-293 7172 or by email ehauck@hauckwm.com.

Requirements for State-Registered Advisers

Events and Additional Disclosures:

Edward A Hauck has had no arbitration claims made against him.

Edward A Hauck has not been involved in any civil, self-regulatory organization or administrative proceedings.

Edward A Hauck has not filed bankruptcy.

Edward A Hauck has no relationship with any issuer of securities.