

**ITEM 1: COVER PAGE FOR  
PART 2B OF FORM ADV:  
BROCHURE SUPPLEMENT  
OCTOBER 2012**

**MICHAEL P. HATCH**

**STERLING GROUP WEALTH MANAGEMENT, LLC D.B.A.  
THE STERLING GROUP  
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This brochure supplement provides information about Mr. Hatch that supplements our brochure. You should have received a copy of that brochure. Please contact Mr. Salembier, Chief Compliance Officer, if you did not receive our firm's brochure or if you have any questions about the contents of this supplement.

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

## **Item 2. Educational Background and Business Experience**

**Michael P Hatch, CFP<sup>®</sup>**, JD, was born in 1965 in Saginaw, MI. He attended GMI Engineering & Management Institute in Flint, MI earning a BS in Business Administration; American Graduate School of International Management, Glendale, AZ earning an MBA in International Management. In May 1993, he earned his Certified Financial Planner practitioner credentials through the International Board of Standards and Practices for Certified Financial Advisors in Denver, CO. In May, 1999, he graduated from Southwestern University School of Law in Los Angeles, CA. He served as a financial advisor with American Express Financial Advisors, Inc. from 1989 to 1998. He is currently a registered principal with LPL Financial.

We may list any professional designations held by Mr. Hatch, we must provide you with a sufficient explanation of the minimum qualifications required for each designation to allow you to understand the value of the designation.

### **CFP<sup>®</sup>:**

The Certified Financial Planner<sup>™</sup>, CFP<sup>®</sup> and federally registered CFP marks are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

The CFP<sup>®</sup> certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP<sup>®</sup> certification. It is recognized in the United States and a number of other countries for its high standard of professional education, stringent code of conduct and standards of practice and ethical requirements that govern professional engagements with clients. To attain the right to use the CFP<sup>®</sup> marks, an individual must satisfactorily fulfill the following requirements: Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university, pass the comprehensive CFP<sup>®</sup> Certification Examination, Complete at least three years of full-time financial planning-related experience and agree to be bound by CFP Board’s *Standards of Professional Conduct*

Individuals who become certified must complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial industry and renew an agreement to be bound by the *Standards of Professional Conduct*. The Standards prominently require that CFP<sup>®</sup> professionals provide financial planning services at a fiduciary standard of care. This means CFP<sup>®</sup> professionals must provide financial planning services in the best interests of their clients.

### **Item 3. Disciplinary Information**

If there are legal or disciplinary events material to your evaluation of Mr. Hatch, we are required to disclose all material facts regarding those events.<sup>1</sup>

We have nothing to disclose in this regard.

### **Item 4. Other Business Activities**

A. If Mr. Hatch is actively engaged in any investment-related business or occupation, including if Mr. Hatch is registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant ("FCM"), commodity pool operator ("CPO"), commodity trading advisor ("CTA"), or an associated person of an FCM, CPO, or CTA, we are required to disclose this fact and describe the business relationship, if any, between the advisory business and the other business.

1. If a relationship between the advisory business and Mr. Hatch's other financial industry activities creates a material conflict of interest with you, the SEC requires us to describe the nature of the conflict and generally how we address it.

Advisory representatives of our firm are also Investment Adviser Representatives ("IAR"), with LPL Financial. In such a capacity, they may offer advisory accounts through LPL Financial. This presents a conflict of interest to the extent that the IAR recommends that a client open an account in which compensation is received as an IAR with LPL Financial.

2. If Mr. Hatch receives commissions, bonuses or other compensation based on the sale of securities or other investment products, including as a broker-dealer or registered representative, and including distribution or service ("trail") fees from the sale of mutual funds, we have to disclose this fact. If this compensation is not cash, we are required to explain what type of compensation Mr. Hatch receives. We must explain that this practice gives Mr. Hatch an incentive to recommend investment products based on the compensation received, rather than on your needs.

Advisory representatives of our firm are registered representatives as well as IARs of LPL Financial ("LPL"), an SEC registered broker-dealer and FINRA member.

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<sup>1</sup> **Note:** Our firm may, under certain circumstances, rebut the presumption that a disciplinary event is material. If an event is immaterial, we are not required to disclose it. When we review a legal or disciplinary event involving Mr. Hatch to determine whether it is appropriate to rebut the presumption of materiality, we consider all of the following factors: (1) the proximity of Mr. Hatch to the advisory function; (2) the nature of the infraction that led to the disciplinary event; (3) the severity of the disciplinary sanction; and (4) the time elapsed since the date of the disciplinary event. If we conclude that the materiality presumption has been overcome, we prepare and maintain a file memorandum of our determination in our records. We follow SEC rule 204-2(a)(14)(iii) and similar state rules.

Acting as registered representatives or independent insurance agents, advisors of our firm may suggest that clients implement recommendations set forth in their financial plan through LPL Financial. If the client chooses to do so, this would present a conflict of interest to the extent that the Advisor would receive normal and customary commissions as a registered representative or licensed insurance agent. Clients may implement and execute such transactions through an Advisor of our firm. However, clients are under no obligation to accept recommendations, or to execute transactions through our firm or LPL Financial.

- B. If Mr. Hatch is actively engaged in any business or occupation for compensation not discussed in response to Item 4.A, above, and the other business activity or activities provide a substantial source of Mr. Hatch's income or involve a substantial amount of Mr. Hatch's time, we are required to disclose this fact and must describe the nature of that business. If the other business activities represent less than 10 percent of Mr. Hatch's time and income, we may presume that they are not substantial.

Advisory representatives and some advisory affiliates of our firm are licensed insurance agents through numerous insurance companies. In such a capacity, they may offer insurance products and receive normal and customary commissions as a result of such a purchase. This presents a conflict of interest to the extent that they recommend the purchase of an insurance product which results in a commission being paid to them as insurance agents.

### **Item 5. Additional Compensation**

If someone who is not a client provides an economic benefit to Mr. Hatch for providing advisory services, we are required to generally describe the arrangement. For purposes of this Item, economic benefits include sales awards and other prizes, but do not include Mr. Hatch's regular salary. Any bonus that is based, at least in part, on the number or amount of sales, client referrals, or new accounts should be considered an economic benefit, but other regular bonuses should not.

We have nothing to disclose in this regard.

### **Item 6. Supervision**

We are required to explain how we supervise Mr. Hatch, including how we monitor the advice Mr. Hatch provides to you. Our firm has to provide the name, title and telephone number of the person responsible for supervising Mr. Hatch's advisory activities on behalf of our firm.

C. Hunt Salembier, Chief Compliance Officer of The Sterling Group, supervises and monitors Mr. Hatch's activities on a regular basis to ensure compliance with our firm's Code of Ethics. Please contact Mr. Salembier if you have any questions regarding Mr. Hatch's brochure supplement at 626-440-5995.