The Sterling Group – Relationship Summary (Form CRS)

Effective June 30, 2020

Introduction

The Sterling Group (referred to as "we" or "us") is registered with the Securities and Exchange Commission ("SEC") as an investment adviser. Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

What investment services and advice can you provide me?

We offer investment advisory services to retail investors. These services include a Wrap Fee Asset Management Program, a Non-Wrap Asset Management Program, a Technology-Enhanced Asset Management Program, and advisory programs offered by third-party asset managers. In addition to these asset management programs, we provide fixed fee financial planning services as well as hourly financial consulting services. When providing investment management services, we strive to understand your financial situation, goals, objectives and risk tolerance. We use the following investment types: exchange traded funds (ETFs), mutual funds, stocks, bonds, options, and real estate investment trusts, among others. We monitor most investments on a monthly basis, and we review your account at least twice annually. We will review your account more frequently upon request. For financial planning and certain limited-scope advisory relationships, we do not provide ongoing monitoring. We manage accounts on a discretionary or non-discretionary basis. If you select discretionary, we will buy or sell securities in your account when we determine it is appropriate or necessary. For discretionary accounts, we will not consult with you prior to trading. If you select non-discretionary, you make the ultimate decision regarding the purchase and sale of securities. You will specify the trading authority in our advisory agreement, and these instructions will remain in place until the agreement is terminated. While exceptions are made, we typically require a $1,000,000 minimum investment per household when establishing a new relationship.

Additional information about our investment advisory services is available in our Form ADV Part 2A - Firm Brochure *(see Items 4 and 7) and in our* Form ADV Part 2A, Appendix 1 - Wrap Program Brochure *(see Items 4 and 5). If you are viewing a paper version of this form, please visit tsgadvisor.com/form-CRS for hyperlinks to these documents.*

- **QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:**
  - Given my financial situation, should I choose an investment advisory service? Why or why not?
  - How will you choose investments to recommend to me?
  - What is your relevant experience, including licenses, education and other qualifications? What do these qualifications mean?

What fees will I pay?

We typically charge an asset-based advisory fee that is a percentage of your account, including cash holdings. We charge advisory fees quarterly, in advance, and you pay this fee regardless of whether there are transactions in your account. We have an incentive to increase the value of your account over time, which will increase our fees. For financial planning services we charge a flat fee that is quoted when you engage our services. We charge an hourly fee for financial consulting services.

Most of our client accounts are administered under our Wrap Fee Asset Management Program. Under this program, you do not pay any transaction charges for trading that takes place in your account. We will pay your custodian for trading costs, through either an asset-based fee or a transaction charge. To the extent your custodian charges us for transactions, this creates a conflict of interest and financial incentive for us to avoid transactions in your account or to place trades less frequently. We will consider these transaction charges when we determine the level of your advisory fee. Under our Non-Wrap Asset Management Program, you are responsible for paying your custodian for any transaction charges. These transaction charges are in addition to our advisory fee. If we engage in frequent trading, you will pay more in transaction charges increasing the overall cost of your account management. This will negatively impact your account performance.

If applicable to your account, you will also incur charges imposed by the custodian or another third-party including, but not limited to: custodian fees; retirement account maintenance fees; fees related to mutual funds and exchange-traded funds; and other transactional fees and product-level fees.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

Additional information about fees and expenses, including fee schedules, is available in our Form ADV Part 2A - Firm Brochure *(see Item 5) or our* Form ADV Part 2A, Appendix 1 - Wrap Program Brochure *(see Item 4). If you are viewing a paper version of this form, please visit tsgadvisor.com/form-CRS for hyperlinks to these documents.*

- **QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:**
  - Help me understand how these fees and costs might affect my investments. If I give you $10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means.

If you participate in an employer-sponsored retirement plan you may request our advice regarding these plan assets. When you separate from this employer, you may be given the opportunity to distribute the assets from this plan. A conflict exists because we will only be compensated if you rollover the proceeds from the plan into an IRA that we manage. Therefore, we have a financial incentive to recommend one option over another.

Our financial professionals are registered representatives of a broker-dealer. Separate from investment advice through The Sterling Group, these financial professionals may offer securities and receive commissions when placing securities transactions. This is a conflict of interest if the financial professional recommends that you invest in a security which results in a commission being paid to the professional.

Additional information about our conflicts of interest is available in our Form ADV Part 2A Firm Brochure or Form ADV Part 2A Appendix 1 Wrap Program Brochure. If you are viewing a paper version of this form, please visit tsgadvisor.com/form-CRS for hyperlinks to these documents.

- **QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:**
  - How might your conflicts of interest affect me, and how will you address them?

How do your financial professionals make money?

Our revenue is derived from the advisory fees we collect. Our professionals are paid a salary for servicing client accounts as well as a portion of the advisory fees that we collect for the accounts that they service. Our professionals may also receive non-cash compensation from our custodians and some product sponsors. They may receive gifts valued at less than $100 annually, an occasional dinner or ticket to a sporting event, or reimbursement for educational meetings or marketing or advertising initiatives.

Do you or your financial professionals have legal or disciplinary history?

No. You may visit Investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

- **QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:**
  - As a financial professional, do you have any disciplinary history? For what type of conduct?

Additional information

You can find additional information about our investment advisory services on the SEC's website at www.adviserinfo.sec.gov by searching our CRD # 111782. You may also contact our firm at (626)-440-5995.

- **QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:**
  - Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?

Firm Brochure
Form ADV Part 2A

THE STERLING GROUP

Registered Investment Advisor

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March 8, 2021

This brochure provides information about the business practices and qualifications of The Sterling Group. If you have any questions about the contents of this brochure, please contact us by telephone at (626)440-5995 or email at contact@tsgadvisor.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any State Securities Authority.

Additional information about The Sterling Group is also available on the SEC's website at www.adviserinfo.sec.gov.

Please note that the use of the term "registered investment adviser" and description of The Sterling Group and/or our associates as "registered" does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for more information on the qualifications of our firm, our associates who advise you and our employees.

Item 2 - Material Changes

This Firm Brochure ("Brochure") is dated March 8, 2021. There were no material changes made to the Brochure since the last annual update in March 2020.

Item 3 - Table of Contents

Section: Page(s):

Item 1 - Firm Brochure....1
Item 2 - Material Changes....2
Item 3 - Table of Contents....3
Item 4 - Advisory Business....4
Item 5 - Fees and Compensation....7
Item 6 - Performance-Based Fees and Side-By-Side Management.... 12
Item 7 - Types of Clients and Account Requirements.... 12
Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss.... 13
Item 9 - Disciplinary Information.... 16
Item 10 - Other Financial Industry Activities and Affiliations.... 16
Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.... 17
Item 12 - Brokerage Practices.... 17
Item 13 - Review of Accounts.... 20
Item 14 - Client Referrals and Other Compensation.... 20
Item 15 – Custody.... 20
Item 16 - Investment Discretion.... 21
Item 17 - Voting Client Securities.... 21
Item 18 – Financial Information.... 21

Item 4 - Advisory Business

The Sterling Group is an investment advisory firm comprised of a team of professionals who oversee clients' assets and provide a range of comprehensive wealth management services. Our team has the skill and expertise to offer exceptional economic advice and market analysis, as well as a strong network of professionals to refer to for legal and tax advice, enhancing our ability to successfully assist clients in achieving their financial goals. The Sterling Group has been helping clients in formulating and implementing complex wealth management strategies and managing their assets for over three decades.

The Sterling Group was established in 1990 and co-founded by Anita Chalmers. Ms. Chalmers led the firm for ten years before merging with the current owners, C. Hunt Salembier and Michael Hatch.

Mr. Salembier and Mr. Hatch began their careers as financial advisors at American Express Financial Advisors. In 1998 they left American Express to create their own independent wealth management firm. They subsequently merged their firm with The Sterling Group in 2000. Ms. Chalmers retired in 2008 and Mr. Hatch and Mr. Salembier remain the sole principals. While Mr. Hatch left The Sterling Group as an advisor in 2019, as of the date of this brochure he and Mr. Salembier remain co-owners of the firm.

As of December 31, 2020, The Sterling Group provides advice to client accounts with a total market value of $260,047,987 broken down as follows:

- $239,049,049 Management of client assets on a discretionary basis
- $0 Management of client assets on a non-discretionary basis
- $1,089,881 Advice with respect to LPL and/or third-party managed platforms

Our advisors also act as registered representatives of LPL Financial in the sale of securities. In this role, our advisors have provided guidance with respect to approximately $19,909,057 worth of client investments.

Written Financial Planning and Financial Consulting:

Written Financial Planning: The Sterling Group provides a variety of written financial planning services that are tailored to our clients' specific needs and circumstances. Our services are generally rendered for a flat fee which gives us the freedom to apply an objective approach to creating customized financial plans and consultations, taking into account the client's unique position and using the array of expertise at our disposal to incorporate strategies appropriate to each individual situation.

Creating a written financial plan is an involved process that typically begins with a consultation meeting so our advisors can learn about the client's goals and objectives and obtain an understanding of the client's financial situation. Some planning engagements are solely to address a specific issue or transaction while others may require a more comprehensive review. Our planning services typically encompass one or more of the following areas: Investment Planning, Retirement Planning, Estate Planning, Charitable Planning, Education Planning, Corporate and Personal Tax Planning, Protection Planning, Corporate Structure and Succession Planning, Real Estate Analysis, Mortgage/Debt Analysis, Insurance Analysis.

When providing written financial planning, we rely heavily on data and information provided by the client. Information such as: expense and income schedules, investment statements, pension statements, estate plans and tax returns. These data points and any assumptions used in our planning forecasts are expressly stated in our financial plans. For example, recommendations may be made for the client to begin or revise investment programs, create or revise wills or trusts through qualified legal counsel, obtain or revise insurance coverage, commence or alter retirement savings, or establish education or charitable giving programs. It should be noted that we will refer clients to an accountant, attorney, or other specialist, as necessary. After the completion of our analysis, we provide the client with a written summary of their financial situation, our observations, and recommendations. Written plans are typically completed within three months of the client signing a Service Agreement with us, assuming that all the information and documents we request from the client are provided on a timely basis. Once the written financial plan is completed and delivered to the client, implementation of any recommendations is at the discretion of the client.

Financial Consulting: The Sterling Group provides financial consulting for an hourly fee. The financial consulting process is generally less formal than our written financial planning service. We may or may not provide our clients with a written summary of our observations and recommendations. We offer financial consulting and expert advice in all the same areas in which we conduct financial planning. The implementation of our financial consulting recommendations is also at the discretion of the client.

Fee Based Investment Management:

1) Asset Management: The Sterling Group provides investment strategies that are tailored to our client's specific needs. Management services may be provided on a discretionary or non-discretionary basis. Each portfolio is designed to meet a particular investment goal, which we determine to be suitable to the client's circumstances. We select from a wide array of investment vehicles, such as stocks, options, fixed income securities, mutual funds, real estate investment trusts, exchange traded funds, and in certain situations we may choose hedge funds, high yield debt, managed futures and other more complex or specialized instruments. Although the selection of investments is at the discretion of the advisor, each client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. Once the appropriate portfolio has been determined, we monitor the investments regularly, conduct account reviews periodically and rebalance the portfolio if necessary, based upon the client's individual needs, stated goals and objectives. The Sterling Group takes a calm and measured approach to managing client's assets that is supported by the belief that over the long term, a consistent strategy that is meticulously followed will provide the best opportunity for the best return. Clients may choose to engage The Sterling Group on a non-discretionary basis. Changes in non-discretionary accounts will only be implemented with the client's authorization.

Client assets managed by The Sterling Group are held in accounts at a registered broker/dealer and qualified custodian, who will provide clearing, custody, and other brokerage services for client accounts. At the present time The Sterling Group has custodial relationships with LPL Financial, LLC ("LPL") and Charles Schwab & Co. ("Schwab"). While The Sterling Group may assist the client in completing the custodian's paperwork, the client is ultimately responsible for providing all of the necessary information to establish the account. Clients will retain all rights of ownership in the accounts, including the right to withdraw securities and cash, vote proxies, and receive transaction confirmations.

On an accommodation basis, The Sterling Group may also agree to handle certain accounts on a non-managed basis. In such cases, The Sterling Group will not be responsible for providing management on either a discretionary or non-discretionary basis.

2) Portfolio Management Services: When appropriate we have the ability to provide access to professional Portfolio Managers, who will provide individual management to client's account on a discretionary basis.

These services may be provided through third party investment advisors directly or as part of a program sponsored by a third-party investment advisor. A broad range of Portfolio Managers, and numerous investment styles are available, including equity, fixed income, balanced, international, ETF, REIT and socially responsible portfolios. The Sterling Group will assist the client in determining an appropriate investment objective, as well as selecting an investment strategy and/or Portfolio Manager for the account. We will also provide ongoing advice and monitoring of the Portfolio Manager services and act as the point of contact between the client and the Portfolio Managers.

For more information regarding these programs, including the advisory services and fees that apply, the types of investments available in the programs, and the potential conflicts of interest presented by the programs, please refer to the appropriate disclosure document and account paperwork for the Portfolio Manager and/or advisory program.

3) Technology Enhanced Asset Management: The Sterling Group offers a Technology Enhanced Asset Management program ("TEAM") through which client accounts are invested in a range of strategies that we have constructed and manage on an ongoing basis. Each strategy consists of a portfolio of exchange-traded funds or mutual funds (collectively "Funds") and a cash allocation. The client's portfolio is held in an account opened by the client at Schwab, and we use the Institutional Intelligent Portfolios® platform ("Platform") offered by Schwab Performance Technologies ("SPT"), to operate TEAM. The Sterling Group is independent of and not owned by, affiliated with, or sponsored or supervised by Schwab or their affiliates. The Sterling Group, and not Schwab, is the client's investment advisor and primary point of contact with respect to TEAM. Relying on input from the client, we are solely responsible for determining the appropriateness of TEAM, and for choosing a suitable investment strategy and portfolio. The Sterling Group is responsible for managing the portfolio on an ongoing and discretionary basis. We have contracted with SPT to provide us with the Platform, which consists of technology and related trading and account management services. The Platform enables us to make TEAM available to clients online and includes a system that automates certain key parts of our investment process (the "System"). This System includes an online questionnaire that helps us determine the client's investment objectives and risk tolerance. Relying on the results of this questionnaire, we select an appropriate investment strategy and portfolio. While clients will have the flexibility to select a portfolio that is more aggressive or conservative than the one otherwise determined by the System, The Sterling Group will make the final decision and select a portfolio based on all the information available. The System also includes an automated investment engine through which we manage the client's portfolios on an ongoing basis. This System includes automatic rebalancing and the ability for a client to elect optional tax-loss harvesting (if account is eligible). While communications concerning TEAM are intended to occur primarily through electronic means advisors of The Sterling Group are available to discuss investment strategies, objectives or the account in general, in person or via telephone.

The Sterling Group charges clients a fee for our services as described below under Item 5, Fees and Compensation. Our fees are not set or supervised by Schwab. While clients do not pay commissions or any other fees to Schwab as part of TEAM, Schwab does receive other revenues in connection with TEAM as further described below under Item 5, Fees and Compensation.

4) Model Wealth Portfolios Program: The Sterling Group offers the LPL Model Wealth Portfolios ("MWP") advisory program. The MWP program is a managed mutual fund and exchange-traded fund ("ETF") asset allocation program in which both The Sterling Group and LPL serve as investment advisors and provide ongoing investment advice.

Upon opening an MWP account, The Sterling Group, or the client with the assistance of The Sterling Group, selects a model portfolio of funds ("Portfolio") designed by The Sterling Group, LPL's Research Department, or a third-party investment strategist (each a "Portfolio Strategist"), consistent with client's stated investment objective. The Sterling Group provides ongoing advice on the selection or replacement of a Portfolio based on the client's individual needs. If client authorizes The Sterling Group to take discretion to select Portfolios on behalf of client, such authority will be set out in the MWP account agreement and application signed by the client.

The Portfolio Strategist is responsible for selecting the mutual funds and/or ETFs within a Portfolio and for making changes to the funds selected. LPL has discretion to buy and sell securities in the account according to the Portfolio selected and liquidate previously purchased securities that are transferred into the account. Exchange-traded notes and closed-end funds may also be purchased in an account. The client authorizes LPL to have discretion by executing the MWP account agreement and application.

LPL also acts as the overlay portfolio manager in coordinating the trades in the account and performing tax harvesting services. As the overlay portfolio manager, LPL is responsible for rebalancing accounts in accordance with the allocations of the Portfolio and consistent with the rebalancing frequency selected by the client.

In addition to serving as an investment advisor for the MWP program, LPL provides custodial, brokerage and administrative services to clients. Clients will be required to enter into an MWP account agreement and application with The Sterling Group and LPL in order to open an MWP account and engage us for services. Clients will have the ability to impose restrictions on investing in certain securities or types of securities when completing this agreement and application.

Clients should refer to the LPL MWP disclosure brochure for additional details.

Additional Services:

The Sterling Group also offers asset management services through a wrap fee program. For more information regarding this program, please contact The Sterling Group and request a copy of our Wrap Program Brochure.

Item 5 - Fees and Compensation

Written Financial Planning and Financial Consulting Services: The Sterling Group charges a flat fee for Written Financial Planning that generally ranges from $2,500 to $7,500. A retainer of fifty percent of the ultimate financial planning fee is typically collected with the signing of the Service Agreement. The remainder of the fee is due within thirty days of the delivery of the completed written plan to the client. In all cases, we will not require a retainer exceeding $500 when services cannot be rendered within 6 months.

The Sterling Group charges an hourly fee ranging from $50 to $350 per hour for Financial Consulting. A retainer fee is not typically required for our consulting services. The total estimated fee, as well as the ultimate fee that is charged, is based on the scope and complexity of the engagement with the client.

Asset Management: Fees are paid quarterly in advance and billed on a pro-rated annualized basis. Fees are calculated as a percentage of the market value of all assets on the last trading day of the month of the previous quarter, including cash holdings. The advisory fee is shared between The Sterling Group and its advisors. The fee may be higher than the fee charged by other investment advisors for similar services. Our fees are generally not negotiable. Below is the schedule of fees for our asset management service:

Assets Under Management	Annual Fee Percentage:
$0 to $999,999	0.95 – 1.75 %
$1,000,000 to $5,000,000	0.85 – 1.50 %
$5,000,000 to $10,000,000	0.65 – 1.00 %
$10,000,000 to $20,000,000	0.55 – 0.70 %
Over $20,000,000	0.25 – 0.55 %

In order to hire The Sterling Group to provide management services, clients will be asked to enter into a written investment advisory agreement with The Sterling Group. This agreement will set forth the terms and conditions of the relationship, including the amount of the investment advisory fee.

In the event that a client wishes to terminate services with The Sterling Group, we request a written statement from the client stating the instructions to terminate our services. Upon receipt of the letter of termination, we will suspend advisory services and process a pro-rata refund of unearned advisory fees.

Clients will incur transaction charges for trades executed in their accounts. These transaction charges are separate from our fees and will be disclosed by the firm through which the trades are executed. These transaction charges vary based on the type of investment (e.g., stock, mutual fund, exchange traded fund, etc.) and are paid to the custodian of the client's assets. The Sterling Group does not receive any portion of the transaction charges.

There are other fees and charges that are imposed by third parties that apply to investments in client accounts. Some of these fees and charges are described below:

- If a client account invests in mutual funds or ETFs, please note that as a shareholder of the fund, a management fee will apply, in addition to paying us an advisory fee for managing the assets. As many of the funds available may be purchased directly, the second layer of fees could be avoided by not using The Sterling Group's management services and by the client making their own fund investment decisions.

- Certain mutual funds impose fees and charges such as contingent deferred sales charges, early redemption fees and charges for frequent trading. These charges will apply if a client transfers into or purchases such a fund in the account.

- Although only no-load and load-waived mutual funds can be purchased in a client's account, clients should understand that some mutual funds pay asset-based sales charges or service fees (e.g., 12b-1 fees) to the custodian.

- If a client holds a variable annuity as part of an account, there are mortality, expense, and administrative charges. The annuity Sponsor may also impose fees for additional contract riders, and charges for excessive transfers within a calendar year.

- Certain retirement accounts – IRA and qualified retirement plan fees.

- Unit investment trusts ("UIT") – creation and development fees or similar fees imposed by UIT sponsors.

- Alternative investments – Hedge fund and managed future investment management fees, managed futures investor servicing fees, and business development company fees.

- Sweep money market funds and cash balances – 12b-1 fees or other fees based on average daily deposit balances.

- Other charges required by law and imposed by the executing broker/dealer or custodian.

Further information regarding fees assessed by a mutual fund or variable annuity is available in the appropriate prospectus, which is available upon request from The Sterling Group or from the product sponsor directly.

When providing asset management services, The Sterling Group uses mutual funds that the custodian makes available within their platform. Mutual funds may offer multiple share classes for purchase in a fee-based investment advisory program. In certain instances, a mutual fund company may offer only Class A shares, while another similar mutual fund may be available in an institutional or fee-based advisory share class. When an asset management account holds Class A shares, the custodian may receive a portion of the 12b-1 fees charged by the mutual fund. The Sterling Group does not receive any portion of these 12b-1 fees. Institutional or fee-based advisory share classes generally are not subject to 12b-1 fees. Of the various share classes that may be offered by a particular custodian, Class A shares are generally more expensive for a client to own, as compared to an institutional or fee-based advisory share class. An investor in an institutional or fee-based advisory share class will typically pay a lower expense ratio than they would in a Class A share, allowing the investor to retain more of the investment returns. While The Sterling Group strives to identify share classes with the lowest available expense ratio, clients should not assume that they will always be invested in the most inexpensive share class. There may be times when a Class A share is deemed to be in the best interest of the client. In an advisory program, the appropriateness of a particular mutual fund share class should be determined based on a variety of different considerations, including but not limited to: the advisory fee that is charged; whether transaction charges are applied and the amount of the transaction charges applied to the purchase or sale of mutual funds; the anticipated frequency of transactions; the size of the account; the holding period for the mutual funds; the overall cost structure of the advisory program; share class eligibility requirements; and potential tax consequences.

As stated above, some custodians may also charge clients a transaction charge for mutual fund purchases and sales. The transaction charge level varies depending on the amount of 12b-1 fees and/or sub transfer agent recordkeeping fees that the custodian receives from the mutual fund. The Sterling Group does not receive any portion of the transaction charges. Clients generally do not pay a transaction charge for Class A share mutual fund transactions, but generally do pay a transaction charge for institutional and fee-based advisory share class transactions. While clients may avoid or lower the transaction charge by purchasing Class A share mutual funds, this share class may be more expensive for the client to own for an extended period of time, because of the ongoing 12b-1 fee. While clients may pay a higher transaction charge for an institutional or fee-based advisory share class, these share classes may be less expensive for the client over time, due to the lower expense ratios.

Portfolio Management Services: Fees for services provided by The Sterling Group are paid quarterly in advance and billed on a pro-rata annualized basis using the fee schedule noted above under Asset Management Services. Fees are calculated as a percentage of the market value of all assets on the last trading day of the month of the previous quarter. In addition to and separate from the advisory fees charged by The Sterling Group, as referenced in the above schedule, the client will be responsible for advisory fees charged by the Portfolio

Manager, as well as custody and clearing fees charged by the account custodian and/or program sponsor. Please refer to the appropriate disclosure brochure for the Portfolio Manager and/or advisory platform, as well as the related advisory agreements and account opening paperwork for more information regarding the fees and compensation.

Technology Enhanced Asset Management: Fees are paid quarterly in advance and billed on a pro-rated annualized basis. Fees are calculated as a percentage of the market value of all assets on the last trading day of the month of the previous quarter, including cash holdings. The advisory fee is shared between The Sterling Group and its advisors. The fee may be higher than the fee charged by other investment advisors for similar services. Our fees are generally not negotiable. Below is the schedule of fees for TEAM:

Assets Under Management	Annual Fee Percentage:
$0 to $5,000,000	0.70 %
$5,000,000 to $10,000,000	0.55 %
$10,000,000 to $20,000,000	0.45 %
Over $20,000,000	0.30 %

While clients do not pay brokerage commissions or any other fees to Schwab as part of TEAM, Schwab does receive other revenues in connection with TEAM including (i) the profit earned by Charles Schwab Bank, a Schwab affiliate, on the allocation to the Schwab Intelligent Portfolios Sweep Program described in the Schwab Intelligent Portfolios Sweep Program Disclosure Statement; (ii) investment advisory and/or administrative service fees (or unitary fees), received by Charles Schwab Investment Management, Inc., a Schwab affiliate, from Schwab ETFs® and Schwab Funds® and Laudus Funds® that we select to buy and hold in the client's account; (iii) fees received by Schwab from mutual funds in the Schwab Mutual Fund Marketplace® (including certain Schwab Funds and Laudus Funds) in the client's account for services Schwab provides; and (iv) remuneration Schwab receives from the market centers where it routes ETF trade orders for execution. For additional information refer to Item 12, Brokerage Practices.

In order to hire The Sterling Group to provide management services, clients will be asked to enter into a written investment advisory agreement with The Sterling Group. This agreement will set forth the terms and conditions of the relationship, including the amount of the investment advisory fee.

In the event that a client wishes to terminate services with The Sterling Group, we request a written statement from the client stating the instructions to terminate our services. Upon receipt of the letter of termination, we will suspend advisory services and process a pro-rata refund of unearned advisory fees.

There are other fees and charges that are imposed by third parties, including Schwab, that apply to investments in client accounts. Some of these fees and charges are described below. The Sterling Group does not receive any portion of these fees.

- As the shareholder of a Fund, a client will pay a fund management fee, in addition to paying us an advisory fee for managing the assets. As many Funds may be purchased directly, the second layer of fees could be avoided by not using The Sterling Group's management services and by the client making their own investment decisions.

- Other charges required by law and imposed by Schwab.

Model Wealth Portfolios: The MWP account fee charged to the client is based on a percentage of the market value of the account, including cash holdings. The account fee is negotiable, subject to a 2.65% maximum account fee. The MWP account fee consists of an LPL program fee, a Portfolio Strategist fee (if applicable) and an advisory fee to The Sterling Group of up to 2.00%. Account fees are payable quarterly in advance. LPL, as the qualified custodian for the MWP account, is responsible for calculating and deducting all account fees from client accounts. LPL may charge miscellaneous administrative and custodial-related fees and charges that may apply to an MWP account.

The advisory fee is shared between The Sterling Group and its advisory representatives. Therefore, The Sterling Group receives compensation as a result of a client's participation in the MWP program. Depending on, among other things, the type and size of the account, type of securities held in the account, changes in its value over time, the ability to negotiate fees, the historical or expected size and number of transactions, and the number and range of supplementary advisory and client-related services provided to the client, the amount of this compensation may be more or less than what The Sterling Group would receive if the client participated in other programs, whether through LPL or another sponsor, or paid separately for investment advice, brokerage and other services.

As the MWP program invests solely in mutual funds and ETFs, the client will pay the fund a management fee and other expenses as a shareholder of the fund in addition to paying the account fee for management of assets. As funds may be purchased directly, client could avoid the second layer of fees by not using our management services and by making his/her own investment decisions.

Clients have the option to purchase the individual investment products available within an MWP account through other brokers or agents that are not affiliated with The Sterling Group. However, the investment advisory services of The Sterling Group would not be available in such an arrangement.

Clients may terminate the agreement for services with us at any time with written notice. Upon termination, any prepaid unearned fees will be refunded.

Clients should refer to the LPL MWP disclosure brochure for additional details regarding fees and related conflicts of interest for MWP accounts.

Rollovers: A conflict of interest exists for clients of The Sterling Group who participate in an employer-sponsored retirement plan. Upon reaching a distribution event, a plan participant may withdraw funds from their employer retirement plan account and rollover the proceeds into an IRA. In the event of an existing relationship with The Sterling Group, it would be reasonable for the plan participant to request the assistance of The Sterling Group. A conflict of interest exists because The Sterling Group will be compensated only if the plan participant rolls over the proceeds into an IRA that is then managed by The Sterling Group. As a result, it can be construed that The Sterling Group has a financial incentive to recommend one option over another. Therefore, a plan participant should include in his/her decision-making process, a thorough review of all options presented when reaching a distribution event.

Miscellaneous: Fees will generally be automatically deducted from the client's managed account. In certain cases, we will agree to directly bill clients or pay the fees for one account from another account. As part of this process, the client understands and acknowledges the following:

a) The account's custodian sends monthly or quarterly statements showing all disbursements for the client's account, including the amount of the advisory fees paid to The Sterling Group.

b) The client provides the custodian with authorization permitting advisory fees to be deducted from their advisory account.

c) The custodian, or in certain cases The Sterling Group, calculates the advisory fees and the custodian deducts them from the client's account.

d) If we send a copy of our invoice to the client, our invoice includes a legend as required by state rules and regulations. The legend urges the client to compare information provided in our statements with those from the qualified custodian in account opening notices and subsequent statements sent to the client for whom the advisor opens custodial accounts with the qualified custodian.

In non-advisory accounts certain advisors of The Sterling Group can offer securities for a commission because they are registered representatives of LPL Financial, LLC, a broker/dealer registered with FINRA. Our advisors may accept compensation for the sale of securities or other investment products, including distribution or service ("trail") fees from the sale of mutual funds. If a non-advisory account is opened, the client should be aware of the practice of accepting commissions for the sale of securities and be advised of the following:

a) Purchasing securities in a non-advisory account may present a conflict of interest that may give our firm and/or our supervised persons an incentive to recommend investment products based on the compensation received, rather than on your needs. We generally address commissionable sales conflicts that arise by explaining to the client that the sale of commissionable securities creates an incentive to recommend products based on the compensation we and/or our supervised persons may earn and may not necessarily be in the best interest of the client. When we recommend commissionable mutual funds, we explain that "no-load" funds are available through our firm if the client wishes to become an investment advisory client.

b) Purchasing securities in a non-advisory account in no way prohibits the client from purchasing investment products recommended by our firm through other brokers or agents which are not affiliated with The Sterling Group.

In such cases where Schwab is selected as the custodian by the client, The Sterling Group will pay a modest fee to LPL for oversight based on the value of assets held at Schwab. This presents a conflict of interest in that The Sterling Group has a financial incentive to recommend LPL as a custodian. Notwithstanding, The Sterling Group takes its responsibility to clients seriously, and will recommend a custodian to clients only if it believes it is in the client's best interest.

Item 6 - Performance-Based Fees and Side-By-Side Management

We do not charge performance-based fees to our clients.

Item 7 - Types of Clients and Account Requirements

The Sterling Group services Individuals, High-Net-Worth Individuals, Trusts, Estates, Charitable Organizations, Pension and Profit-Sharing Plans, as well as Corporations, Limited Liability Companies and/or other types of businesses. In general, the minimum investment for new clients is $1,000,000 subject to a minimum account fee of $9,500.

Clients eligible to enroll in TEAM include individuals, IRAs, and revocable living trusts. Client that are organizations (such as corporations and partnerships) or government entities, and clients that are subject to the Employee Retirement Income Security Act of 1974 ("ERISA"), are not eligible for TEAM. The minimum investment required to open a TEAM account is $5,000. The minimum account balance to enroll in the tax-loss harvesting feature is $50,000.

The LPL MWP account requires a minimum asset value for a program account to be managed. The minimums vary depending on the Portfolio(s) selected and the allocation among Portfolio(s). The lowest minimum for a Portfolio is $25,000.

Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss

We are committed to helping clients achieve their financial goals and objectives. After developing a thorough understanding of a client's risk tolerance and their short and long-term goals, we work to create and implement a customized investment portfolio. To accomplish this, we utilize our investment consulting process, which is designed to help us determine how best to address a client's financial goals and objectives. We examine the many factors that determine our clients' needs, such as financial situation, tax situation, income, investment time horizon, and risk tolerance.

We carefully examine a client's needs and goals to ensure they are assigned an appropriate investment objective. We then choose an appropriate asset allocation to realize a client's desired rate of return with an acceptable amount of risk. We utilize our experience to ensure client accounts are properly diversified and not subject to the volatility of a single sector, industry, or asset class. We monitor our clients' managed accounts and rebalance as necessary, to ensure that they are aligned with their account objective.

When selecting mutual funds, ETFs, and third-party money managers, we examine the experience, expertise, investment philosophies, and past performance of the manager. We do this to determine if that manager has successfully demonstrated an ability to invest over a period of time and in different economic or market conditions. With mutual funds or ETFs we look at the underlying assets in an attempt to determine if there is a significant overlap in the underlying investments held in another fund in the client's portfolio. For money managers, we monitor the manager's underlying holdings, strategies, concentrations, and leverage as part of our overall periodic risk assessment.

It is important to keep in mind that there is no specific approach to investing that guarantees success or positive returns; investing in securities involves risk of loss that clients should be prepared to bear.

As stated, we generally use the following types of investments: mutual funds (including asset allocation funds, index funds, international funds, emerging market funds, real estate funds, high yield bond funds and funds that short the market), ETFs (including commodity funds, precious metal funds, and agricultural funds), variable annuity subaccounts, alternative investments (including managed futures funds, hedge funds, real estate investment trusts and business development companies), individual stocks and bonds, and other more complex or specialized instruments. The particular investments selected for your account will depend upon your investment objective, level of risk tolerance, sensitivity to taxes, and other factors.

There are risks associated with investing in securities. The following highlights some of the risks associated with the types of investments that may be purchased for your account.

- Investing in any security involves some level of risk; stocks, which represent equity or ownership in a company, are considered inherently risky and no return is predictable or guaranteed when investing in any stock or stock-based fund.

- Investing in international markets presents additional risks including currency fluctuations, the potential for diplomatic and political instability, regulatory and liquidity risks, and foreign taxation, among others. The risks of foreign investing are generally greater in emerging markets.

- High yield bonds carry greater risks than bonds rated as investment grade. For example, they are issued by organizations that do not qualify for an investment grade rating by one of the rating agencies because of the potential for higher default by the issuer. Further financial difficulties experienced by the issuer may result in a decrease in the market value of the bond, and this may make it impossible to liquidate the bond prior to maturity.

- ETFs are typically investment companies that are legally classified as open-end mutual funds or UITs. However, they differ from traditional mutual funds, in that ETF shares are listed on a securities exchange. Shares can be bought and sold throughout the trading day like shares of other publicly traded companies. ETF shares may trade at a discount or premium to their net asset value. The difference between the bid price and the ask price is often referred to as the "spread." The spread varies over time based on the ETF's trading volume and market liquidity and is generally lower if the ETF has a lot of trading volume and market liquidity and higher if the ETF has little trading volume and market liquidity. Although many ETFs are registered as an investment company under the Investment Company Act of 1940 like traditional mutual funds, some ETFs, in particular those that invest in commodities, are not registered as an investment company.

- Business development companies ("BDCs") are operated for the purpose of making investments in small and developing business, as well as financially troubled businesses. BDCs may also make managerial assistance available to certain companies in its portfolio. BDCs are only required to disclose net asset value on a quarterly basis. BDCs are often characterized as a publicly traded venture capital or private equity firm that is subject to certain provisions of the Investment Company Act. BDCs can be speculative investments because of the types of investments they make. These risks include, but are not limited to, portfolio company credit and investment risk, leverage risk, market and valuation risk, price volatility risk, liquidity risk, capital markets risk, interest rate risk, dependence on key personnel, and structural and regulatory risk.

- Managed futures funds, hedge funds and non-traded real estate investment trusts may be purchased within Program accounts on a non-discretionary basis by clients meeting certain standards. Investing in these funds involves additional risk including, but not limited to, the risk of investment loss due to the use of leveraging and other speculative investment practices and lack of liquidity and performance volatility. In addition, these funds are not required to provide periodic pricing or valuation information to investors and may involve complex tax structures and delays in distributing tax information. You should be aware that many of these funds are illiquid, as there is no secondary trading market available.

- Structured products are securities derived from another asset, such as a security or a basket of securities, an index, a commodity, a debt issuance, or a foreign currency. Structured products frequently limit the upside participation in the reference asset. Structured products are senior unsecured debt of the issuing bank and subject to the credit risk associated with that issuer. This credit risk exists whether or not the investment held in the account offers principal protection. The creditworthiness of the issuer does not affect or enhance the likely performance of the investment other than the ability of the issuer to meet its obligations. Any payments due at maturity are dependent on the issuer's ability to pay. In addition, the trading price of the security in the secondary market, if there is one, may be adversely impacted if the issuer's credit rating is downgraded. Some structured products offer full protection of the principal invested, others offer only partial or no protection. Investors may be sacrificing a higher return to obtain the principal guarantee. In addition, the principal guarantee relates to nominal principal and does not offer inflation protection. An investor in a structured product does not have a claim on the underlying investment, whether a security, zero coupon bond, or option. There may be little or no secondary market for the securities and information regarding independent market pricing for the securities may be limited. This is true even if the product has a ticker symbol or has been approved for listing on an exchange. Tax treatment of structured products may be different from other investments held in the account (e.g., income may be taxed as ordinary income even though payment is not received until maturity). Structured CDs that are insured by the FDIC are subject to applicable FDIC limits.

There are additional risks associated with the TEAM program due to its automated nature and reliance on technology systems. The following highlights some of these risks.

- The Sterling Group is highly reliant on the accurate operation of the Platform and System offered by SPT. A malfunction or failure in either could cause clients to experience losses, some, or all of which could be significant. The Sterling Group relies on third parties, including SPT, for the provision of market statistics, Fund details, and performance and related information. Although these third-party service providers are generally reliable, there could be errors in the information and/or services they provide, and such errors could compromise the quality of the recommendations provided by the System and otherwise compromise the ability of The Sterling Group to provide services in the TEAM program. Further, some or all of these third-party service providers may be able to terminate their agreements with The Sterling Group and SPT for any reason or no reason at all with no advance notice. In such instances, the ability of The Sterling Group to provide services in the TEAM program could be materially compromised.

- SPT may, in its sole discretion, suspend The Sterling Group's access to the Platform, suspend trading in TEAM accounts (including without limitation automatic rebalancing), and reject or remove from the online client portal information provided by The Sterling Group.

- While the System includes a component that seeks to provide recommendations intended to achieve tax-loss harvesting, professional tax advice may be necessary to minimize the impact of tax liabilities you could incur. The tax-loss harvesting strategies implemented in connection with TEAM are not intended to be tax advice and we do not represent that any particular tax consequences will be obtained. Clients should consult with their personal tax advisors regarding the tax consequences of investing in TEAM.

- The Sterling Group provides management based solely on the information provided by the client in the online questionnaire. There may be other relevant factors and financial considerations (e.g., outstanding debt or financial obligations) and other assets held by client that are not considered when we provide advice. False, inaccurate, or outdated information can compromise the advice provided and may limit our ability to meet the client's investment objective. The client is solely responsible for additions to and withdrawals from the client's TEAM account, and for maintaining confidentiality of any passwords selected for account access.

- Investing in Funds involves investment risk as the funds may employ speculative investment techniques, including leverage, concentrated portfolios, investments in workouts or startups, control positions and illiquid investments.

- Losses may arise from shortcomings or failures in internal processes, people, or systems, or from external events. Operational risk can arise from many factors, ranging from routine processing errors to potentially costly incidents related to, for example, major systems failures. There are operational, information security and related risks associated with the increased use of technologies, such as the internet, to conduct business. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber security failures or breaches by a third-party provider, The Sterling Group, Schwab, or Fund managers may cause disruptions and impact business operations, resulting in financial losses. These breaches may also impact the ability to transact business and violate applicable privacy laws.

Item 9 - Disciplinary Information

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Item 10 - Other Financial Industry Activities and Affiliations

Certain advisors of our firm may also be registered representatives of a registered broker/dealer and/or Investment Advisor Representatives ("IAR") with another registered investment advisor. Please refer to the brochure supplement for the individual handling your account for further information about the advisor's status as a registered representative or IAR.

As potential material conflicts of interest with our clients, we disclose the following relationships or arrangements we have with any related person:

Acting as registered representatives or independent insurance agents, advisors of our firm may suggest that clients implement recommendations through a registered broker/dealer or insurance company. 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 individuals associated with our firm.

Acting as IARs, advisors of The Sterling Group may offer advisory accounts through another registered investment advisor. 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.

As a result of the relationship with LPL Financial, LPL Financial may have access to certain confidential information (for example, financial information, investment objectives, transactions, and holdings) about The Sterling Group's clients, even if the client does not establish any account through LPL Financial. If you would like a copy of LPL Financials' privacy policy, please contact The Sterling Group to request a copy.

Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

We recognize that the personal investment transactions of members and employees of our firm demand the application of a high code of ethics and require that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, we believe that if investment goals are similar for clients and for members and employees of our firm, it is logical and even desirable that there be common ownership of some securities.

Therefore, in order to prevent conflicts of interest, we have in place a set of procedures with respect to transactions effected by our members, officers and employees for their personal accounts. In order to monitor compliance with our personal trading policy, we review personal securities transactions for all of our associates.

Furthermore, our firm has established a Code of Ethics which applies to all of our associated persons. An investment adviser is considered a fiduciary. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. We have a fiduciary duty to all clients. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. We require all of our supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. Our Code of Ethics was adopted pursuant to SEC rule 204A-1. This disclosure is provided to give all clients a summary of our Code of Ethics. However, if a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

LPL Financials' parent company, LPL Investment Holdings Inc. (ticker symbol LPLA), is a publicly traded company. The Sterling Group does not recommend or solicit orders of LPL Investment Holdings Inc. stock in Asset Management accounts.

Item 12 - Brokerage Practices

Asset Management and Portfolio Management Services. The Sterling Group has entered into a relationship with LPL Financial and Charles Schwab & Co. to serve as custodian and executing broker/dealer for asset management accounts. In some cases, clients may choose to select another qualified custodian to execute asset management transactions. The Sterling Group requires that clients select and direct the custodian as the sole and exclusive broker/dealer to execute transactions for asset management accounts. All asset management transactions will be processed without commissions. While The Sterling Group believes that these custodians have execution procedures that are designed to obtain the best execution possible, there can be no assurance that best execution can be obtained. By selecting a particular custodian, clients may not achieve the most favorable execution.

As stated under Item 5 – Fees and Compensation, in such cases where a custodian other than LPL is selected by the client, The Sterling Group will pay a modest fee to LPL for oversight. This presents a conflict of interest in that The Sterling Group has a financial incentive to recommend LPL as a custodian. Notwithstanding, The Sterling Group takes its responsibility to clients seriously, and will recommend a custodian to clients only if it believes it is in the client's best interest.

We seek to make available only custodians who will hold client assets and execute transactions on terms that we feel are most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, but not limited to the following:

- Combination of transaction execution services along with asset custody services (generally without a separate fee for custody).
- Capability to execute, clear and settle trades (buy and sell securities for your account).
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.).
- Breadth of investment products made available (stocks, bonds, mutual funds, exchange traded funds ("ETF"s), etc.).
- Availability of investment research and tools that assist us in making investment decisions.
- Competitive pricing of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate them.
- Reputation, financial strength and stability of the provider.
- Their prior service to us and our clients.
- Availability of other products and services that benefit us, as discussed below.

For accounts receiving Portfolio Management Services, the selection of the advisory platform/program will determine the custodian that is used for the account.

Our firm has a non-soft-dollar arrangement with the custodians from which we receive services such as research and administrative functions including portfolio pricing, account statement generation and fee calculations, software and other technology that provide access to client account data, and attendance at conferences, meetings and other educational and/or social events. These services are intended to support our firm in conducting business and in serving the best interests of our clients. Our firm does not receive client brokerage commissions (or markups or markdowns) in exchange for research or other products or services. Our recommendation of a qualified custodian to our clients is based on our clients' interests in receiving the best execution and the level of competitive, professional services that the qualified custodians provide.

Technology Enhanced Asset Management (TEAM). Client accounts enrolled in TEAM are maintained at and receive the brokerage services of Schwab, a broker/dealer registered with the Securities and Exchange Commission and a member of FINRA and SIPC. While clients are required to use Schwab to enroll in TEAM, the client decides whether to open an account by entering into a brokerage account agreement directly with Schwab. The Sterling Group does not open the account for the client. If the client does not wish to place his or her assets with Schwab, The Sterling Group cannot manage the client's account through TEAM.

Schwab Advisor Services™ supports independent advisory firms like The Sterling Group. Through Schwab Advisor Services™, The Sterling Group and our clients, even those not enrolled in TEAM, have access to Schwab's institutional brokerage services. Many of these services are not typically available to Schwab retail customers. However, certain retail customers may be able to get institutional brokerage services from Schwab without going through The Sterling Group. Some of these services help us manage or administer our clients' accounts and others help us manage our business. The availability of Schwab's products and services is not contingent on the delivery of any particular investment advice.

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some which we might not otherwise have access to or that would require a significantly higher minimum initial investment by our clients. These Schwab services generally benefit the client and the client's account.

Schwab also makes available products and services that benefit The Sterling Group but do not directly benefit the client or the client's account. These products and services assist us in managing and administering our clients' accounts and operating our firm. They include investment research from Schwab and third parties. We use this research to service client accounts, including those not maintained at Schwab. In addition to investment research, Schwab also provides software and other technologies that:

- provide access to client account data (such as duplicate trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- provide pricing and other market data;
- facilitate payment of our fees from our client accounts; and
- assist with back-office functions, recordkeeping, and client reporting.

Schwab also offers other services intended to help The Sterling Group manage and further develop our business enterprise. These services include:

- educational conferences and events;
- technology, compliance, legal and business consulting;
- publications and conferences on practice management and business succession, and
- access to employee benefits providers, human capital consultants, and insurance providers.

Schwab provides some of these services itself or arranges for third-party vendors to provide the services to The Sterling Group. Schwab also discounts or waives the fees for some of these services or pays all or a part of the third party's fees. Schwab also provides members of The Sterling Group with other benefits such as occasional business entertainment. If you did not maintain your account with Schwab, we would be required to pay for these services from our own resources.

Model Wealth Portfolios (MWP). The MWP account is sponsored by LPL, and LPL serves as the qualified custodian and executing broker/dealer for all transactions. For additional information regarding brokerage practices in the MWP account, client should refer to the LPL MWP disclosure brochure.

Aggregation. We perform investment management services for various clients. There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by our firm. Although such concurrent authorizations could be either advantageous or disadvantageous to any one or more particular accounts, they are affected only when we believe that to do so will be in the best interest of the effected accounts. When such concurrent authorizations occur, the objective is to allocate the executions in a manner which is deemed equitable to the accounts involved. In any given situation, we attempt to allocate trade executions in the most equitable manner possible, taking into consideration client objectives, current asset allocation and availability of funds, using price averaging, proration, and consistently non-arbitrary methods of allocation.

The Sterling Group typically aggregates orders. The advantages to aggregating are that the orders are handled in a way that mitigates market impact (as applicable and possible) and that each client gets the same (average) execution price. We may determine not to aggregate transactions, for example, based on the size of the trades, the number of client accounts, the timing of the trades, the liquidity of the securities, and the discretionary or non-discretionary nature of the trades. If orders are not aggregated, some clients purchasing securities around the same time may receive a less favorable price than other clients. This means that the practice of not aggregating may cost clients more money.

Within TEAM, Schwab may aggregate purchase and sale orders for Funds across accounts enrolled in TEAM, including both accounts for our clients and accounts for clients of other independent advisory firms using the Platform.

Item 13 - Review of Accounts

Asset Management accounts are reviewed individually on a periodic basis. The nature of these reviews is to determine whether clients' accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc. Reviews are conducted by our advisors. We provide written reports to clients as requested.

In addition to the review conducted at the account level, we regularly review the individual positions held by our clients. We monitor each investment's relative performance versus its peers and relevant benchmarks. We replace individual positions, as necessary, due to performance or market conditions.

Any activity in an Asset Management, TEAM, Portfolio Management and MWP account will be reflected on the monthly or quarterly statement from the account's custodian, showing account activity as well as positions held in the account at month end. Additionally, you will receive a confirmation of each transaction that occurs, unless the transaction is the result of a systematic purchase, redemption, or exchange.

Financial Planning clients do not receive reviews of their written plans unless they take action to schedule a financial consultation with us. We do not provide ongoing services to financial planning clients, but are willing to meet with these clients upon their request to discuss updates to their plans, changes in their circumstances, etc.

Item 14 - Client Referrals and Other Compensation

As a result of our relationship with LPL Financial, we may receive production bonuses, stock options to purchase shares of LPL Financials' parent company, and other things of value such as free or reduced-cost attendance at events hosted by LPL Financial. As a result of our relationship with Schwab, we may receive things of value such as free or reduced-cost attendance at events hosted by Schwab. Such compensation may be based on overall revenue produced and/or on the amount of assets serviced through the custodian. Thus, there is a financial incentive for us to recommend that you establish an account at LPL Financial or Schwab. We take our responsibilities to clients very seriously and we will only recommend that clients use LPL Financial or Schwab for custody and hire us for management services if we believe it is appropriate and, in the client's, best interests.

We receive an economic benefit from Schwab in the form of the support products and services. You do not pay more for assets maintained at Schwab as a result of these arrangements. However, we benefit from the arrangements because the cost of these services would otherwise be borne directly by The Sterling Group. Clients should consider these conflicts of interest when selecting a custodian. These products and services and the related conflicts of interest are described above in Item 12, Brokerage Practices.

Item 15 – Custody

We do not maintain custody of client funds or securities. All of our clients receive at least quarterly account statements directly from their custodians. If we decide to send account statements to clients, the account statements include a legend that recommends that the client compare the account statements received from the qualified custodian with those received from our firm. We encourage our clients to raise any questions with us about the custody, safety, or security of their assets. The account custodian will send you independent account statements listing your account balance(s), transaction history and any fee debits or other fees taken out of your account.

We will not have access to client funds or securities with the exception of having advisory fees deducted from client accounts and paid to us by the custodian. Any fee deductions will be done pursuant to client's written authorization provided to the custodian.

Item 16 - Investment Discretion

We accept discretionary authority over the management of client accounts. Our discretionary authority is limited only to affecting trades in client accounts; we will determine the type and the amount of securities that can be bought or sold without obtaining client consent for each trade. Our clients must sign a discretionary investment advisory agreement with our firm for the management of such accounts. Clients may also elect to have us maintain accounts on a non-discretionary or non-managed basis.

For accounts receiving Portfolio Management Services, we do not have any discretionary authority with respect to client accounts. The Portfolio Manager will maintain discretion and all responsibility for account management.

Within MWP, our discretionary authority is limited to selecting one or more Portfolio(s) for your account with your approval in the agreement. For further information about the discretionary authority granted within MWP accounts, kindly refer to the LPL MWP disclosure brochure.

We do not exercise any discretionary authority when providing Financial Planning and Financial Consulting services.

Item 17 - Voting Client Securities

We do not and will not accept the proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, we will forward them on to the client and ask the party who sent them to mail them directly in the future. Clients may call, write, or email us to discuss questions they may have about particular proxy votes or other solicitations.

Item 18 – Financial Information

The Sterling Group does not have any financial commitments that impair its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.

Brochure Supplement
Item 1 - Cover Page

Charles Hunt Salembier

The Sterling Group
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March 8, 2021

This brochure supplement provides information about Mr. Salembier that supplements The Sterling Group firm brochure. You should have received a copy of that brochure. Please contact our office, if you did not receive our The Sterling Group firm brochure or if you have any questions about the contents of this supplement.

Additional information about Mr. Salembier is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 - Educational Background and Business Experience

C. Hunt Salembier, ChFC®, was born in 1967 in Darien, CT. He attended the University of Virginia in Charlottesville, VA earning a BA in Economics. He earned his Chartered Financial Consultant designation in 1996 through the American College in Bryn Mawr, PA. He served as a financial advisor with American Express Financial Advisors, Inc. from 1993 to 1998. He is currently a registered principal with LPL Financial. He is co-operating manager, owner, and an Investment Advisor Representative ("IAR") with The Sterling Group.

ChFC®:

The Chartered Financial Consultant designation (ChFC®) is awarded by the Huebner School at The American College. To receive the ChFC® designation, an individual must successfully complete courses in a selected program area, meet experience requirements and ethics standards, and agree to comply with The American College Code of Ethics and Procedures.

The following areas of study were covered under the program:

- Financial Planning: Process and Environment
- Income Taxation
- Planning for Retirement Needs
- Investments
- Fundamentals of Estate Planning
- Financial Planning Applications
- The Financial System in the Economy
- Estate Planning Applications
- Executive Compensation
- Fundamentals of Insurance Planning
- Financial Decisions for Retirement

Three years of relevant full-time business experience is also required for all Huebner School designations. The three-year period must be within the five years preceding the date of the award. An undergraduate or graduate degree from an accredited educational institution qualifies as one year of business experience.

All ChFC®s who matriculated after June 30, 1989 are required to earn 30 hours of continuing education credit every two years:

Item 3 - Disciplinary Information

I am required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of my advisory business or integrity. I have no information applicable to this item to disclose.

Item 4 - Other Business Activities

Mr. Salembier is also an Investment Advisor Representative ("IAR"), with LPL Financial. In such a capacity, he may offer advisory accounts through LPL Financial. This presents a conflict of interest to the extent that he recommends that a client open an account in which compensation is received as an IAR with LPL Financial.

Mr. Salembier is also a registered representative of LPL Financial ("LPL"), an SEC registered broker-dealer and FINRA member.

Acting as a registered representative or independent insurance agent, advisors of our firm may suggest that clients implement recommendations through their broker-dealer. If the client chooses to do so, this would present a conflict of interest to the extent that the advisory representative 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 their advisor's broker-dealer.

Advisory representatives and some advisory affiliates of our firm are licensed insurance agents. 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

In certain circumstances, I will receive the following forms of additional compensation:

I may receive compensation from LPL Financial or Charles Schwab & Co., our custodians. I may receive cash bonuses, awards of restricted stock, reimbursement of fees I pay for administrative services, and other things of value such as complimentary or reduced-cost attendance at conferences or events.

I may also receive compensation from product sponsors. However, such compensation may not be tied to the sale of any products. Compensation may include such items as gifts valued at less than $100, an occasional dinner or ticket to a sporting event, or reimbursement in connection with an educational meeting or marketing initiative. Product sponsors may also pay for education or training events that I attend.

Item 6 - Supervision

As an owner of The Sterling Group I am responsible for supervising all advisory services that I offer. This includes a review of transactions, account suitability, and written correspondence including email, among other activities. I can be reached at 626-440-5995.

Brochure Supplement
Item 1 - Cover Page

Anthony J. Nahra

The Sterling Group
225 S. Lake Avenue, Suite 600
Pasadena, CA 91101

(626)440-5995
www.tsgadvisor.com
March 8, 2021

This brochure supplement provides information about Mr. Nahra that supplements The Sterling Group brochure. You should have received a copy of that brochure. Please contact our office, if you did not receive The Sterling Group firm brochure or if you have any questions about the contents of this supplement.

Additional information about Mr. Nahra is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 - Educational Background and Business Experience

Anthony J. Nahra, CFP®, was born in 1965 in Los Angeles, CA. He earned his certificate in personal financial planning through the Metropolitan State College in Denver, CO. In 2001, he earned his Certified Financial Planner practitioner credentials through the Certified Financial Planner Board of Standards, Inc. in Denver, CO. He has worked for more than 24 years in the financial planning field and is currently a registered representative with LPL Financial. He has been an Investment Advisor Representative ("IAR") with The Sterling Group since November 2007.

CFP®:

The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the "CFP® marks") are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board").

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 71,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – 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). CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board's Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – 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 planning field; and
- Ethics – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard

of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

Item 3 - Disciplinary Information

I am required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of my advisory business or integrity. I have no information applicable to this item to disclose.

Item 4 - Other Business Activities

Mr. Nahra is also an Investment Advisor Representative ("IAR"), with LPL Financial. In such a capacity, he may offer advisory accounts through LPL Financial. This presents a conflict of interest to the extent that he recommends that a client open an account in which compensation is received as an IAR with LPL Financial.

Mr. Nahra is also a registered representative of LPL Financial ("LPL"), an SEC registered broker-dealer and FINRA member.

Acting as a registered representative or independent insurance agent, advisors of our firm may suggest that clients implement recommendations through their broker-dealer. If the client chooses to do so, this would present a conflict of interest to the extent that the advisory representative 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 their advisor's broker-dealer.

Advisors 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

In certain circumstances, I will receive the following forms of additional compensation:

I may receive compensation from LPL Financial or Charles Schwab & Co., our custodians. I may receive cash bonuses, awards of restricted stock, reimbursement of fees I pay for administrative services, and other things of value such as complimentary or reduced-cost attendance at conferences or events.

I may also receive compensation from product sponsors. However, such compensation may not be tied to the sale of any products. Compensation may include such items as gifts valued at less than $100, an occasional dinner or ticket to a sporting event, or reimbursement in connection with an educational meeting or marketing initiative. Product sponsors may also pay for education or training events that I attend.

Item 6 - Supervision

My advisory services are supervised by C. Hunt Salembier, Operating Manager of The Sterling Group. Among other activities, this includes review of transactions, account suitability, and written correspondence including email. Mr. Salembier can be reached at (626)440-5995.