MKG Financial Group, Inc.

An Investment Firm

This Brochure provides information about the qualifications and business practices of MKG Financial Group, Inc. If you have questions about the contents of this Brochure, please contact us at (503) 226-6700 or MGaskill@MKGFinancial.com

The information in this Brochure has not been approved or verified by the U.S. Securities and Exchange Commission ("SEC") or by any state securities authority. Additional information about MKG Financial Group, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov (see CRD # 104214).

The terms “registered” and “registered investment adviser” appear throughout this brochure. Registration does not imply a certain level of skill or training.

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Item 2 – Material Changes

The last time MKG Financial Group, Inc. amended its annual Form ADV Brochure was April 26, 2016.

No material changes have occurred since the last filing.

Form ADV Part 2A Brochure

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Item 4 – Advisory Business

MKG Financial Group, Inc. ("MKG") is an investment adviser responsible for the management client assets in their advisory accounts. MKG was founded in 1999 and was registered with the SEC from December of 2000 through June of 2012. MKG withdrew its registration with the SEC and is currently a registered investment adviser in Oregon (effective June 2012) and Washington (effective June 2012) because MKG's primary business is the management of investment advisory accounts on a discretionary basis. As of March 24, 2017, MKG had approximately $12,655,000 in assets under management. MKG's clients may include individuals, pension/profit-sharing plans, Taft-Hartley plans, trusts, estates and charitable organizations.

Principal Ownership

MKG's sole owner is Mark K. Gaskill. Mr. Gaskill is also the Chief Executive Officer, Chief Investment Officer, President and Director of MKG. Mr. Gaskill, born in 1952, received his Bachelor of Arts degree in Business Finance and Economics from the University of Oregon and has been providing investment and brokerage advice to clients since 1977, working for both regional and large Wall Street firms.

Advisory Services

MKG is a discretionary investment manager specializing in domestic (U.S.) small- to mid- capitalization strategies for its clients. MKG is research oriented, and utilizes both technical and fundamental analysis for the selection of equity investments. See Item 8 for a complete discussion of MKG's investment strategy and methods of analysis.

MKG Advisory (fee based) Clients

MKG provides traditional, discretionary portfolio management for certain clients which are referred to in this Brochure as "MKG Advisory Clients". All such clients pay MKG an asset-based fee. In addition, clients will also incur a ticket charge payable to TradePMR (these charges are discussed more fully in Item 5 and Item 12 which discuss MKG's practices).

Client Restrictions

At the commencement of a client relationship, each client of MKG shall execute an Investment Advisory Agreement and a New Account form wherein the client provides instructions to MKG concerning the client's investment objectives and any investment restrictions applicable to the client's account. MKG will review the requested objectives and restrictions and work with the client as needed to refine these objectives and restrictions to both meet the client's needs and provide MKG with sufficient discretion to properly invest client assets.

Assets under Management

As of March 24, 2017 MKG's regulatory assets under management ("AUM") total $12,655,000. Of this amount, $12,374,000 is managed by MKG on a discretionary basis and $281,000 is managed by MKG on a non-discretionary basis or includes employee and firm accounts. Please see MKG's Form ADV Part 1A – Item 5. F. - on the SEC's website at www.adviserinfo.sec.gov - for more information.

Item 5 – Fees and Compensation

New clients of MKG pay an asset-based fee to MKG and a ticket charge to TradePMR for each transaction as described below.

Asset-Based Fees paid to MKG

MKG Clients pay MKG an asset-based fee monthly or quarterly in advance as compensation for the discretionary or nondiscretionary services provided to them. As of the date of this Brochure, MKG's standard fee schedule is as follows:

Traditional Managed Accounts – Asset Based Fee Schedule

Account Size	Annual Fee
First $500,000	1.75%
Next $500,000	1.50%
$1,000,000 and above	1.25%

MKG's asset-based fee schedule is negotiable under certain circumstances, depending on the size of a client's account(s), the complexity of the account(s), the number of anticipated meetings with the client, any additional monitoring or reports required and any other factors MKG deems relevant. Any such modification is determined on a case-by-case basis. The fee that is applicable to a particular MKG Advisory Client may be amended from time to time by MKG on 30 days prior written notice to the client with receipt of written consent signed by all parties agreeing to such amendment. MKG reserves the right to discount or waive the asset-based fee for the cash or the fixed income portion of an account (with respect to accounts invested in equity securities). MKG may combine certain related client accounts for the purpose of determining the asset-based fee to be assessed on the related accounts.

Calculation, Timing and Payment of Fees

MKG generally relies on prices provided by third-party pricing services, custodians, or broker/dealers for purposes of valuing portfolio securities held in client accounts when calculating its advisory fees. Clients choosing to compensate MKG through asset-based fees may choose to pay monthly or quarterly, in advance, based on the market value of the account on the last trading day of the previous period. Fees for partial periods at the commencement or termination of an agreement are prorated based on the number of days the account is open during the period. If an agreement is terminated, a pro rata refund will be paid shortly after the conclusion of the 30-day notice period. Adjustments of fees for additional assets placed in an account during a period or for partial withdrawals will also be made on a pro rata basis.

Typically, clients pay their asset-based fees directly from their accounts maintained at their custodian (i.e., TradePMR, LLC). MKG may liquidate client securities in an account if there is insufficient cash in the account to pay the fees. With the consent of MKG, fees may be invoiced to an MKG Advisory Client rather than being paid from the client's account.

Fixed Income Securities

MKG generally also charges its asset-based fee on fixed-income securities.

Additional Fees and Expenses Payable by Clients

<u>TradePMR'sTicket Charge</u>

MKG executes its client transactions through TradePMR who in turn clears these transactions through Wells Fargo Clearing Services, LLC (dba First Clearing) and as of the date of this Brochure, TradePMR's ticket charge is $11.99 per transaction. When an order is aggregated, each account participating in the aggregated transaction pays this ticket charge. The ticket charge is designed to cover the expenses that TradePMR's clearing broker charges TradePMR for providing execution and custodial services for MKG's clients. MKG does not benefit from this charge and has no control over it.

In addition to fees and ticket charges, MKG Clients may pay fees of sub advisors and outside investment managers (if any), stock transfer fees and other similar charges incurred in connection with transactions, out of the assets of their account. Investment activity may also involve additional transaction fees payable by clients, such as odd-lot differentials, transfer taxes, wire transfer and electronic funds transfer fees, and other fees and taxes on accounts and securities transactions. In addition, clients may incur certain charges imposed by custodians, broker/dealers, third-party investment consultants, and other third parties, such as account closing fees, custodial fees, consulting fees, administrative fees, and transfer agency fees.

Fees for Investments in Third Party Mutual Funds and Other Pooled Investment Vehicles

At times, MKG may invest a client's assets in mutual funds (including money market or similar short-term investment funds) or other investment vehicles sponsored by third parties such as exchange traded funds. To the extent that a client's assets are invested in other pooled vehicles, the clients will also typically pay management and/or other fees (such as performance fees) to each such mutual fund or other pooled vehicle that are in addition to the asset-based fees paid by the client to MKG. Those fees are described in each pooled vehicles' offering documents (e.g., prospectus or offering memorandum).
Such charges and fees are exclusive of, and in addition to, MKG's fee. For example, fees for mutual fund investments generally include two types: shareholder fees and daily fund operating expenses.

Shareholder fees may include:

- Sales Loads (paid to a broker/dealer, which may include front end sales loads (charged upon purchasing shares) and/or back end sales loads (fees charged upon redeeming shares));
- Redemption fees (paid to the fund upon the sale of mutual fund shares);
- Exchange fees (charged for transferring to another fund within the same fund group); and
- Account fees (account maintenance).

Daily fund operating fees include:

- Management fees (paid to an adviser or its affiliates for managing the fund);
- Distribution and/or service (e.g., 12b-1 fees paid to broker-dealers for distribution and shareholder service expenses); and
- Other expenses (such as custodial, legal, accounting, transfer agent, and administrative expenses).

Clients whose assets are invested in mutual funds may pay some or all of the above fees. MKG will evaluate these additional costs to the client as a part of MKG's decision making process when considering these types of investments for a client.

A client could invest in a pooled vehicle or retain an outside investment manager directly, without the services of MKG. In that case, the client would not receive the services provided by MKG, which are designed, among other things, to assist the client in determining which, if any, pooled vehicle or outside investment managers are most appropriate to that client's financial condition and objectives. Accordingly, clients should review both the fees charged by the Collective Investments, sub- advisors and/or outside managers, and any fees charged by MKG, to fully understand the total amount of fees to be paid.

Private Placement Investment Fees

MKG will not participate in any placement or solicitation fee with respect to Private Placement Investments (see Item 8 for a discussion of these investments) that are not registered with the SEC.

Item 6 – Performance-Based Fees and Side-by-Side Management

A performance based fee arrangement compensates an asset manager based upon a percentage of net profits generated by the account being managed. Due to the conflict of interest such an arrangement may pose, MKG does not receive performance based fees for its investment management services and does not engage in “side-by-side” management (i.e. simultaneously managing accounts that pay asset-based and performance-based compensation).

Item 7 – Types of Clients

As of the date of this Brochure, MKG provides portfolio management services to high net worth individuals, retail individuals and pension and profit sharing plans.

Conditions for Managing Accounts

As noted in Item 5 of this Brochure, MKG generally requires a minimum account size of $250,000 for MKG Advisory Clients and $100,000 when MKG acts as a sub adviser to the account. However, the minimum account size is negotiable and may be waived or modified at MKG’s discretion.

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

Strategy Overview

MKG is a discretionary asset management firm that invests client assets primarily in small-to-mid-cap equity portfolios. In addition, MKG includes large-cap equities that may or may not pay dividends, as well as fixed income investments in accounts that follow an asset allocation model. MKG’s investment process utilizes disciplined trend analysis in evaluating domestic and global economic trends, as well as identifying growth trends in industries that are benefiting from current economic conditions. The Chief Investment Officer (“CIO”) then researches perceived undervalued companies that he believes are most likely to profit from those trends.

MKG’s investment style typically results in MKG investing client assets primarily in small-to-mid-cap companies generally defined as those with market capitalization of less than $15 billion (capitalization is a function of a company’s stock price times the number of shares outstanding). MKG does, at times, hold investments that are outside these parameters. For example, clients interested in a more balanced portfolio of fixed income and equity securities may be invested in bonds and stocks including large-cap dividend paying companies that can be an alternative source of income.

MKG’s investment process begins with fundamental quantitative and qualitative analysis of economic reports issued by government and industry sources related to the current domestic and global economic environment. Sectors, industries and sub-industries are then evaluated for strengths and weaknesses driven by these economic trends. And finally, individual companies are evaluated and selected based on their ability to benefit from all of these factors.

This “top down” approach strives to identify elements that are driving future investment opportunities. In making specific investment decisions, MKG applies a combination of three alternative investment styles: fundamental value, contrarian and special situation. By embracing all three styles, MKG’s Investment Team has the flexibility to utilize the approach it deems most appropriate. In addition, MKG may invest client assets in exchange traded funds that seek daily investment results that correspond to the inverse (opposite) of the daily performance of an index in order to reduce volatility and provide a hedge of protection against downside market risk (see Investment Risk below).

In evaluating companies, MKG uses a variety of sources for information including, but not limited to, company contacts and public reports, research materials and data provided by third-party vendors and investment firms, financial newspapers and magazines, corporate rating services and SEC filings. Companies are further evaluated using quantitative and qualitative analysis focusing on growth in earning, cash flow and other financial data. The CIO purchases positions in companies based on their current price relative to the future perceived value of each company over the next 12 - 18 months.

Investment Risk

The investment strategies utilized by MKG carry varying degrees of risk. All investment in securities includes the risk of loss of principal and any profits that have not been realized. The stock and bond markets can fluctuate substantially over time and performance of any investment is not guaranteed. As a result, there is a risk of loss of the assets managed by MKG on a client’s behalf, and such a loss may be out of MKG’s control. MKG cannot guarantee any level of performance and cannot guarantee that a client will not experience a loss of account assets.

MKG’s investment philosophy can be affected by the following specific risks:

- Geopolitical risk - The risk that an investment's returns could suffer as a result of political changes or instability in a country, region or the world. Instability affecting investment returns could stem from changes in government, legislative bodies, other foreign policy makers or military control. This risk becomes more of a factor as the time horizon of an investment gets longer.
- Sector risk – Investing in a specific sector of the market can be riskier and more difficult than trying to invest in all of the broad sectors of the economy. A sector may be more vulnerable to the economic cycles that can affect a specific industry within the sector, such as energy, banking or technology.
- Non-diversification or concentration risk – by concentrating on small- to mid-cap companies, there is a risk that MKG’s investments will not benefit from investments in larger or international companies. This risk is magnified in a portfolio when the weighting in a single stock is more or less than other stocks in the portfolio.
- Volatility risk – also known as Market Risk**,** is the day-to-day fluctuations in a stock's price. Stocks with small capitalization are typically more volatile because relatively small transactions can have a greater effect on the stock price as opposed to companies with large capitalization. Investments that track an index (i.e., short index-based ETFs that loose value when markets go up) theoretically have unlimited risk if the markets were to go up indefinitely.

The most critical and important aspect in managing client’s accounts is having a disciplined sell strategy. MKG makes judgments based on the valuation of each company, not on market comparable valuations of each stock or on short-term aberrations in the market. As a result, the CIO may reduce an investment position as it becomes fully valued based on MKG’s expectations. The CIO may also reduce a position based on other reasons deemed appropriate by the investment team.

Private Fund Investment Risk

Occasionally, a client may decide to invest in a private investment vehicle (e.g., a real estate fund). Such private placements are generally not registered with the SEC and are limited to accredited investors, because such investments generally are illiquid and involve significant risks, including the risk of losing the client's entire investment. MKG will not participate in transactions involving private placements because MKG does not undertake due diligence or make recommendations to its clients with respect to such investments. MKG does not recommend that clients make such investments, nor does MKG provide ongoing advice as to whether the client should retain or withdraw from any such private investment the client has decided to make.

Limitation of Liability

MKG cannot and does not warrant or guarantee any particular level of account performance, or that accounts will be profitable over time. Not every investment decision or recommendation made by MKG will be profitable. Clients assume all market risks involved in the investment of assets and understand that investment decisions made for their accounts are subject to various market, currency, economic, political and business risks.

MKG's Investment Advisory Agreement ("Agreement") that MKG enters into with its clients states that MKG is not liable to the client for: (a) any loss that the client may suffer by reason of any investment decision made or other action taken or omitted by MKG, except in the case of MKG's gross negligence, intentional misconduct or bad faith; (b) any loss arising from MKG's adherence to the client's instructions; or (c) any act or failure to act by any custodian or broker. Clients are urged to read the Agreement carefully.

The Agreement also includes a predispute arbitration clause stating that investor claims will be settled by mediation instituted at the request of either party. Mediation is voluntary and neither party is obligated to agree or participate in mediation; both parties must agree to mediation. If a claim is not resolved by mediation, then an arbitration clause states the claim will be resolved by arbitration before a single arbitrator under the auspices of and pursuant to the rules of commercial arbitration of the Arbitration Service of Portland, Inc. Disputes that need to be resolved by arbitration for residents of the State of Washington shall be resolved under the auspices of an arbitrator in the State of Washington. Additional disclosure of the arbitration process can be found in item 24 of the Agreement.

MKG acting in the capacity of investment adviser to its clients is a fiduciary that has a duty to act in the best interest of its clients. Nothing in the Agreement (including the limitation-of-liability and arbitration provisions) constitutes a waiver by the client of any legal right or remedy under applicable federal or state securities laws or any other law whose applicability is not permitted to be contractually waived. If any dispute arises under an Agreement, it may be in the client's best interest to seek legal counsel's advice with respect to the client's nonwaivable rights under the Agreement. In the event of any discrepancy or conflict between the information contained in this Brochure and a client's Agreement with MKG, the Agreement will control.

Item 9 – Disciplinary Information

On February 7, 2006, the Hawaii Department of Commerce and Consumer Affairs filed a Consent to Entry of Order (SEU 2006-027) in which the State alleged that MKG transacted business in the state as a Dealer without proper registration. MKG consented to an administrative penalty of $2,500 in order to resolve and settle the matter.

On February 16, 2016, FINRA accepted Mr. Gaskill's Letter of Acceptance, Waiver and Consent in which he accepted and consented to a three month suspension from membership and a $5,000 fine, without admitting or denying FINRA's findings that he failed to timely amend his Form U4 to disclose three federal and two state tax liens that arose between November 2009 and December 2012.

This was a personal issue that surfaced originally in 2009 following the downturn in the economy and financial markets; Mr. Gaskill did not realize that it was a required disclosure at the time. Upon notification by regulatory officials at FINRA, Mr. Gaskill immediately filed the appropriate disclosures, however it was outside of the period required.

Item 10 – Other Financial Industry Activities and Affiliations

MKG has a contractual relationship with and affects its transactions through TradePMR. TradePMR is a registered broker-dealer and a member of FINRA and SIPC. Trade PMR clears its transactions through Wells Fargo Clearing Services, LLC (under the trade name First Clearing). First Clearing also provides custody services to MKG's Clients.

Item 11 – Code of Ethics, Participation/Interest in Client Transactions, Personal Trading

MKG has established a variety of restrictions, procedures and disclosures designed to address conflicts of interest arising between and among client accounts as wells as between client accounts and MKG and its personnel. Firm personnel must act in accordance with a high fiduciary standard.

Code of Ethics

MKG has a fiduciary duty to its clients, and accordingly has adopted a Code of Ethics (the "Code") that applies to all employees of MKG. The Code is designed to establish and maintain the highest standard of conduct for MKG's directors, officers and employees (the "Supervised Persons"). The Code is administered and enforced by MKG's Chief Compliance Officer (the "Compliance Officer"). The Code requires each Supervised Person to: (a) act as a fiduciary to MKG's clients and avoid even the appearance of impropriety; (b) comply with all applicable federal and state securities laws; (c) comply with both the provisions of the Code and its spirit and intent; and (d) report to the Compliance Officer any conduct that constitutes or may constitute a violation of the Code.

Participation/Interest in Client Transactions – Personal Trading

MKG allows MKG's employees to invest in securities that MKG also recommends to clients. To prevent any conflict of interest, MKG encourages all employees desiring to trade securities for their own or related accounts to open and maintain accounts with MKG through TradePMR. Employees may own positions in securities held by clients of MKG only if their trades are included in aggregated orders with client orders and if all employees and clients participating in the aggregated trade receive the same average price for the transaction. Employees with outside brokers must instruct their brokers to send copies of confirmations of all securities transactions and copies of periodic statements for their account(s) directly to the Compliance Officer. Employees must disclose any personal interest they have in a security prior to making a recommendation or affecting any client transaction in such security. Each employee must also submit to the Compliance Officer or instruct his or her brokerage firm to forward certain securities ownership and transaction reports, which are reviewed by the Compliance Officer. The Compliance Officer will promptly review and investigate any violations of the Code and will report to MKG's CEO the corrective action taken and any recommendation for disciplinary action. The CEO may impose sanctions such as a letter of censure or termination of employment or, if warranted, a referral to regulatory authorities or law enforcement.

These requirements of the Code apply to all accounts over which employees have investment discretion, or in which they have a direct or indirect beneficial ownership interest. The Code does not limit any securities trades by Access or Advisory Persons: (a) in securities not eligible for purchase or sale by any client; (b) in obligations issued by the U.S. Government; (c) in money market instruments and shares of open end mutual funds; (d) made in accounts, over which the Access or Advisory Person has no influence or investment control, or under an automatic reinvestment plan; or (e) effected on the exercise of rights acquired from an issuer by all holders of the same class of securities.

MKG does not engage in principal transactions with its clients.

Insider Trading/Material Non-Public Information

The Code includes policies and procedures that prohibit the use of material non-public information that are designed to prevent an officer or employee of MKG from engaging in insider trading. In accordance with these policies, MKG may maintain a "restricted list" that identifies any securities that cannot be purchased for employee, client, or firm-owned accounts because material, non-public information may have been received by an employee of MKG. MKG's trading desk refers to this list when trading to ensure MKG does not trade in these securities without the consent of MKG's Chief Compliance Officer.

Distribution of Code

MKG is fully committed to making Firm employees and clients (both current and prospective) aware of the requirements within its Code. Each employee is provided with a copy of the Code when hired and annually thereafter. Each employee must affirm to the fact that they have received a copy of the Code, and that they have read, understand and complied with its provisions. Additionally, the subject of the Code is included in annual compliance meetings and is included in MKG's Compliance Manual. A copy of the Code is available to clients or prospective clients upon request and may be obtained from MKG's website (www.MKGFinancial.com) or by contacting:

MKG Financial Group, Inc. Attention: Compliance Department - Code of Ethics Request
1500 SW First Avenue, Suite 1000 Portland, OR 97201 (503) 226-6700 or (800) 760-4933
Email: Info@MKGFinancial.com

Item 12 – Trading Practices

Generally, clients retain MKG on a discretionary basis and authorize MKG to initiate portfolio transactions within a client's portfolio pursuant to specified investment objectives. MKG has a fiduciary duty to seek best execution and to ensure trades are allocated fairly and equitably among clients over time.

Brokerage Relationships

TradePMR, Inc. serves as the broker for MKG's Clients. When recommending that TradePMR, Inc. act as broker to an MKG Client, MKG takes into account various factors, including without limitation: (a) TradePMR's ability to aggregate trades for all its clients, so all transactions in the same security are purchased or sold at the same average price for the security, subject to different transaction costs (as discussed below); (b) the services TradePMR receives from its clearing broker; (c) the capabilities of TradePMR's clearing broker to effect transactions, particularly with regard to such aspects as timing, order size and execution of orders; (d) the clearing broker's facilities, reliability and financial responsibility; (e) the transaction costs to the client; and (f) any other factors MKG considers relevant.

Best Execution – Selection Factors for Broker/Dealers

Generally, MKG initiates its transactions through TradePMR which executes MKG's transactions through TradePMR's clearing broker Wells Fargo Clearing Services, LLC (dba First Clearing). MKG and TradePMR have a duty to clients to seek best execution.

The Chief Investment Officer monitors the execution of MKG's individual transactions with TradePMR as they occur, on a live electronic feed from Thompson Reuters, one of the world's leading sources of information, to ensure the execution is within the general price level of similar trades executed by the brokerage community.

Under certain circumstances, MKG may choose to use a broker other than TradePMR if MKG decides a particular transaction could be affected better by another broker. However, Pershing (like most clearing brokers) charges a minimum fee for each transaction, which applies whether or not TradePMR affects the transaction. These costs are a factor in MKG's best execution analysis. MKG does not anticipate that it will execute transactions away from TradePMR very often, if ever, because these costs typically outweigh the considerations listed below.

If MKG decides to execute a transaction through a broker other than TradePMR, MKG would take into account such relevant factors as: (a) whether the particular security is readily available through its clearing broker; (b) the other broker's facilities, reliability and financial responsibility; (c) the ability of the other broker to effect the particular transaction, particularly with regard to such aspects as timing, order size and execution of orders; and (d) any research and related brokerage services provided by such broker to MKG (as of the date of this Brochure, MKG does not receive any research in connection with any trades executed on behalf of its clients).

Directed Brokerage

In certain cases, clients have directed MKG to use specified broker/dealers ("directed broker") for portfolio transactions for their respective accounts. In order to act as a fiduciary for all clients, MKG recommends that the trades for such clients be executed with non-directed client orders and subsequently stepped-out to the directed broker (see Step-Out Transactions below).

However, if a client insists on directing MKG to execute their transaction with a specified broker, MKG is not obligated to, and will generally not solicit competitive bids for each transaction, or seek the lowest commission rates for the client, as the commission rates have typically been pre-negotiated between the client and the directed broker. Since MKG has not negotiated the commission rate and may not be able to obtain volume discounts, the commission rate charged by the directed broker may be higher or lower than what MKG could receive from another broker/dealer. In addition, the client may be unable to obtain the most favorable price on transactions executed by MKG as a result of MKG's inability to aggregate/bunch the trades from this account with other client trades (see Trade Aggregation below). Furthermore, the client may not be able to participate in the allocation of a security of limited availability (such as an initial public offering). Accordingly, clients who direct transactions to directed brokers must recognize that the timing and execution of the trade by the directed broker may be different than the timing and execution of the same trade by MKG which may affect a client's performance. Clients who direct brokerage should understand that similar brokerage services may be obtained from other broker/dealers at lower costs and possibly with more favorable execution. MKG reserves the right to reject or limit client requests for directed brokerage.

Step-Out Transactions

MKG may use "step-out trades" when it determines that it may facilitate better execution for certain client trades. Step-out trades are transactions which are placed at one broker/dealer and then "given up" or "stepped out" by that broker/dealer to another broker/dealer for credit. Step-out trades may benefit the client by finding a natural buyer or seller of a particular security so that MKG can trade a larger block of shares more efficiently. Unless directed otherwise by the client, MKG may use step-out trades for any client account.

MKG may use step-out trades to accommodate a client's directed brokerage mandate. In the case of directed brokerage accounts, trades are executed through TradePMR and then "stepped-out" to the directed brokerage firm for credit. In circumstances where MKG has followed the client's instructions to direct brokerage, there can be no assurance that MKG will be able to step-out the trades, or, if it is able to step- out the trades, that it will be able to obtain more favorable execution than if it had not stepped-out the trades.

Wrap Fee Programs

MKG may manage certain client accounts that are part of a "wrap fee program" through which a "sponsor" offers MKG's services as an investment option. Wrap fee programs involve individually managed accounts for individual or institutional clients that are offered as part of a larger program offered by a "sponsor," usually a brokerage or banking firm, and managed by one or more investment advisers. Generally, MKG's management of wrap fee accounts and other accounts under the same investment strategy is consistent. When trading for wrap fee accounts, MKG may instruct TradePMR to trade with varying broker/dealers even though trading in the same security pursuant to the same strategy. Trades for wrap fee accounts are typically stepped out or directed to the wrap fee program sponsor (or its designated broker/dealer), since brokerage commissions are included in the wrap fee.

Trade Aggregation

When two or more client accounts are simultaneously engaged in the purchase or sale of the same security, MKG may, but is not obligated to, combine and aggregate the transactions to form a "block trade." In such cases, these accounts will receive the average price of the transactions in that security for the day. Trades in the same security for different accounts will be accumulated for a reasonable period of time to allow for aggregation, unless a particular account's interest would be unduly prejudiced. MKG may, but is not required to, aggregate orders into block trades where MKG believes it to be appropriate, in the best interests of the client accounts, and consistent with applicable legal requirements. Transactions executed in a block will typically be allocated to participating client accounts before the close of the business day.

Since more than one account's orders are included in a block trade, MKG has adopted a policy of using a "pro rata allocation" to allocate the trade among each account whose order makes up part of the block. Under a pro rata allocation, as securities are being purchased or sold, the securities are allocated to (or away from, in the case of a sale) accounts in the proportion by which each account's order size (as determined by the portfolio manager at the time of order entry) makes up a percentage of the entire block. In cases where MKG is unable to complete a block trade the same day (i.e., purchase or sell all securities within the block), those securities that have been purchased or sold by the end of the day will generally be allocated to accounts pursuant to MKG's pro rata allocation methodology.

MKG believes that, in most instances, a pro rata allocation of block trades will assure fairness. However, MKG also recognizes that no rigid formula will necessarily lead to a fair and reasonable result, and that a degree of flexibility to adjust the formula to accommodate specific circumstances is necessary when determining how to allocate block trades. Therefore, under certain circumstances, allocation of block trades on a basis other than strictly pro rata may occur if MKG believes that such allocation is fair and reasonable. Exceptions to the pro rata allocation of partially filled orders may occur for several reasons, including, but not limited to, avoidance of odd lots or acquiring a de-minimis numbers of shares that would require additional transactions and related costs in order to completely fill the order. Since partially filled orders are still exposed to market variations, the size of the position or the price paid or received by a client may be adversely affected as compared to the execution that could have been completed had no aggregation occurred.

MKG will allocate all securities purchased or sold through a block trade, and any non-commission related expenses incurred in the transaction, on a fair and equitable basis over time, to the extent practicable, without favoring any account or type of account or client (including any proprietary or affiliated account).

Item 13 – Review of Accounts

The Chief Investment Officer ("CIO") is responsible for overseeing all investment advisory activities on a regular basis. The CIO reviews each client's portfolio structure on a periodic basis for portfolio strategy and asset allocation purposes. Factors reviewed include the weighting of securities in client accounts, and security specific issues such as changes in fundamentals of the companies owned or being considered for ownership by clients, as well as the prices of such securities and significant economic or industry developments.

Additionally, the CIO reviews individual holdings within client accounts on a regular basis and discusses the securities that MKG is monitoring for potential purchase or sale. The CIO will consider, but not limit himself to, the following factors that can trigger a review of a client's account or stock: valuation levels warrant a sell or increase in a position, client initiated change in investment objectives, client requests to increase or decrease the assets in their account, material company news items or announcements, and political or geopolitical issues involving the company or where it does business. Periodically, the CIO reviews all securities to ensure that each holding is appropriate for MKG's clients based on MKG's investment strategies.

Account Reconciliations

MKG has engaged Black Diamond, a division of Advent, to maintain the books and records related to client accounts and reconcile those records on a daily basis against the records of the custodians who hold the securities and cash. To the extent any discrepancies are identified, MKG operations personnel will work with both Black Diamond and the custodian to resolve any such discrepancies. As the custodian for the assets in the account, the custodial records are the official books and records for the account.

Client Reporting

Clients generally receive monthly account statements from their independent qualified custodians, unless they request these reports more frequently. The reports typically include:

1. Listing of individual holdings, including number of shares and current market value;
2. Historical statement of changes describing clients' original capital and additions of capital, together with income earned and a combination of realized and unrealized appreciation or depreciation; and
3. Purchase and sale transactions occurring during the month.

Clients that have selected to use Wells Fargo Clearing Services, LLC (dba First Clearing) through TradePMR as their custodian also have the ability to view their account information (i.e., positions, activity, cash balances) on a daily basis through TradePMR's secure web site.

In addition, all of MKG's clients have access to view their accounts daily from any web browser through Advent's Black Diamond "Blue Sky" reporting system. Through a secure web site, clients can view daily market values, positions and transactions any time. These reports are supplemented by trade confirmations and the other reports provided to clients from their respective custodians as described above.

Item 14 – Client Referrals and Other Compensation

MKG does not compensate any party for referrals of business.

Compensation from Third Parties

MKG does not provide investment advice or other advisory services to any party who is not a client of MKG.

Item 15 – Custody

Your assets will be maintained by an unaffiliated, qualified custodian, such as a bank, broker/dealer, and mutual fund company or transfer agent. Your assets are not held by our advisory firm or any associate of our firm. Trade-PMR, Inc. acts as an introducing broker dealer on a fully-disclosed basis through First Clearing, LLC for our Advisory Firm. MKG does not act as a custodian for any client account or assets. Rather, MKG recommends that clients maintain custody of their assets with TradePMR which uses First Clearing Corporation as its clearing broker-dealer. Clients are allowed to make their own arrangements for custody of securities in their accounts. TradePMR (or other custodians) sends clients monthly statements showing all the activity in the client's account during the month, including any additions or withdrawals, and specifying the assets held in their accounts on the date of the statements. Clients are urged to compare the reports they receive from MKG with the account statements they receive from First Clearing (or their custodian). Firm statements may vary from custodial statements based on accounting procedures, reporting dates, and/or valuation methodologies of certain securities. Any discrepancies identified by a client should be immediately reported to MKG and TradePMR (or the client's qualified custodian). Such questions, concerns, or discrepancies may be communicated to MKG in writing, e-mail, or telephone to the following:

MKG Financial Group, Inc.
1500 SW First Avenue, Suite 1000 Portland, OR 97201
(503) 226-6700 (800) 760-4933 Info@MKGFinancial.com

Item 16 – Investment Discretion

A client will indicate the discretionary authority given to MKG in the Investment Advisory Agreement and will formally grant MKG discretionary authority by executing a Limited Trading Authorization form.

MKG has discretionary authority to make investment decisions on behalf of Discretionary and MKG Advisory Clients, consistent with the clients' investment objectives and suitability, without the clients' prior approval of specific transactions. MKG's discretionary authority is subject to reasonable limitations imposed by clients (e.g., to invest or not invest in a particular security or industry or maintain specific levels of asset classes in balanced accounts). MKG's discretionary authority is limited to the purchase, sale and trading in stocks, bonds, options and any other security for such clients and determining the amount of securities to be added to or removed from client portfolios.

MKG also generally has the authority to select, retain and terminate sub-advisors and outside investment managers and act on behalf of the MKG Advisory Clients in all matters concerning their managed accounts.

Item 17 – Voting Client Securities

Since client accounts may hold stocks or other securities with voting rights, clients often have the right to cast votes at the corporate issuers' shareholder meetings. However, since shareholders often do not attend shareholder meetings, they have the right to cast their votes by "proxy." In such cases, MKG's clients will either retain proxy voting authority or delegate it to MKG. If a particular client decides not to delegate such authority to MKG, MKG will not vote such client's proxy, and the client will retain voting authority. In such a case, the client will receive proxy solicitations from their custodian.

Clients can delegate proxy voting authority to MKG when executing the Investment Advisory Agreement with MKG. As an investment adviser and fiduciary of client assets, MKG has implemented proxy voting policies and procedures intended to protect the value of shareholder investments. The Proxy Voting Policy is designed to reasonably ensure that MKG votes proxies in the best interest of its clients. In voting proxies, MKG seeks to maximize the long-term value of client assets and to cast votes that MKG believes to be fair and in the best interest of the affected client(s). MKG (a) collects proxies from the clients' custodians; (b) determines the issues to be voted on; (c) identifies and resolves any conflicts of interest; (d) makes voting decisions; and (e) timely submits proxies. MKG will resolve any conflict of interest between MKG and a client by obtaining the client's written consent, by obtaining a voting recommendation from an independent third party, or by voting in accordance with MKG's pre-determined voting guidelines.

MKG has established voting guidelines, under which it generally votes with a company's management on "routine" issues, such as uncontested elections of directors. With respect to non-routine issues, MKG generally votes in favor of proposals promoting director independence and employee participation (e.g., for proposals establishing stock incentive plans and against proposals inhibiting such plans). Careful consideration is given to other non-routine matters on a case-by-case basis, including proposed mergers and re-capitalizations. MKG may disregard its voting guidelines in situations where it believes a client's best interest would be served by voting otherwise. Clients may request a copy of MKG's Proxy Policy or information regarding a particular proxy solicitation by contacting MKG at:

MKG Financial Group, Inc. Attention: Operations - Proxy Voting
1500 SW First Avenue, Suite 1000 Portland, OR 97201
(503) 226-6700 or (800) 760-4933 Info@MKGFinancial.com

Item 18 – Financial Information

MKG does not require or solicit prepayment of more than $500 per client, six months or more in advance.

Item 19 – Requirements for State-Registered Advisers

The following are MKG's principal executive officers and management persons:

Mark K. Gaskill – President, Chief Executive Officer and Chief Investment Officer
Mr. Gaskill received his Bachelor of Arts degree in Business Finance and Economics from the University of Oregon in 1977 and has been providing investment and brokerage advice to clients since 1977, working for both regional and large Wall Street firms. Mr. Gaskill was the host of The MKG Financial Hour, a weekly, local radio show. Mark has previously been active in several not-for-profit organizations sitting on the board of directors for Folk Time - a program that promotes the lives of individuals who are committed to mental health recovery by providing meaningful opportunities that enrich their lives; White Bird Dance - committed to bringing the best Portland-based, regional, national, and international dance companies to Portland, OR to foster the growth of dance in the region; and the Financial Board of Trustees

for LaSalle College Preparatory High School. Mr. Gaskill is currently not engaged with these organizations.

MKG Financial Group, Inc.

An Investment Firm

This Part 2B of Form ADV ("Brochure Supplement") provides information about Mark K. Gaskill, MKG Financial's Chief Investment Officer. This information supplements the MKG Financial Group, Inc. Brochure. You should have or will receive a copy of that Brochure before you set up your account. If you did not receive the MKG Brochure, or if you have any questions about the content of this Brochure Supplement, please contact Mr. Mark Gaskill at MKG Financial's Portland, OR office or via email to MGaskill@MKGFinancial.com.

April 12, 2017

1500 SW First Ave. Suite 1000
Portland, OR 97201-5834
503-226-6700 | 800-760-4933
www.mkgfinancial.com

Item 2 – Educational Background and Business Experience of Investment Professionals

Mark K. Gaskill, born in 1952, is the Principal Owner, Chief Executive Officer, Chief Investment Officer, President and Director of MKG Financial Group, Inc.

Mr. Gaskill received his Bachelor of Arts degree in Business Finance and Economics from the University of Oregon and has been providing investment and brokerage advice to clients since 1977, working for both regional and large Wall Street firms.

Mark is a highly-respected speaker and was the founder of the Northwest Investors Conference and was the host of the MKG Financial Hour radio show. He brings an "Old School" philosophy to the art of money management.

Item 3 – Disciplinary Information

On February 16, 2016, FINRA accepted Mr. Gaskill's Letter of Acceptance, Waiver and Consent in which he accepted and consented to a three month suspension from membership and a $5,000 fine, without admitting or denying FINRA's findings that he failed to timely amend his Form U4 to disclose three federal and two state tax liens that arose between November 2009 and December 2012. The suspension was effective March 21, 2016 through June 20, 2016; Mr. Gaskill withdrew his registration with FINRA on May 16, 2016.

This was a personal issue that surfaced originally in 2009 following the downturn in the economy and financial markets; Mr. Gaskill did not realize that it was a required disclosure at the time. Upon notification by regulatory officials at FINRA, Mr. Gaskill immediately filed the appropriate disclosures, however it was after the time period required.

Item 4 – Other Business Activities

Mr. Gaskill does not engage in other business activities.

Item 5 – Additional Compensation

Mr. Gaskill does not provide investment advice or other advisory services to any party who is not a client of MKG and therefore, does not receive any additional compensation from non-clients.

Item 6 – Supervision

Mr. Gaskill is the only registered employee at the firm and therefore there is no one who supervises his activities. Mr. Gaskill therefore utilizes the services of independent consultants to provide compliance and accounting services to the firm.

Item 7 – Requirements for State Registered Advisers

This item is used to disclose any material disciplinary events in addition to any event disclosed in item 3 above.

In June 2011, a former client of MKG provided notice of an arbitration proceeding alleging $1.2 million in damages claiming MKG did not invest the client's assets in accordance with client's instructions during the period January 2008 to January 2009. On December 20, 2012, the arbitrator concluded that the losses in all but one of the client's accounts were caused by the client's demand to liquidate significant mutual fund and annuity holdings, which had not been purchased by MKG, shortly after the stock market crash of 2008.

The Arbitrator was “critical of purchasing individual stocks in an employee retirement account without a determination……of what the investment objectives and risk tolerance are for each of the individual employees”. However, since the client was a Retirement Plan directed by the owner and trustee of the plan who was a client of MKG, Mr. Gaskill did not have access to the individual employees. As part of the settlement, the arbitrator awarded the Plan $24,350 plus interest and fees equal to $3,820.

MKG Financial Group, Inc.

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