

## Customer Relationship Summary - March 2021

### Item 1. Introduction

Gaines Financial Group, Inc. ("Gaines Financial Group") is an investment adviser registered with the U.S. Securities and Exchange Commission. Investment advisory and brokerage services and fees differ; therefore, it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS), which also provides educational materials about investment advisers, broker-dealers, and investing.

### Item 2. Relationships and Services

#### "What investment services and advice can you provide me?"

##### Description of Services and Monitoring

We provide investment advisory services to retail investors, including asset management, financial planning, and selection of 3<sup>rd</sup> party managers. For clients to whom we provide asset management services, we offer both fee plus transaction and wrap fee accounts, both of which we monitor as part of an ongoing process. As part of our standard services, each investment adviser representative ("IAR") reviews their client accounts regularly and meets with clients at their request. Factors that trigger reviews include contributions or withdrawals, year-end tax planning, market moving events, issuer specific events, and/or changes in your risk/return objectives. For financial planning clients, we conduct reviews on an "as needed" basis triggered by the client's request. We may also suggest financial planning reviews when triggered by a change in your financial situation and/or investment needs.

##### Investment Authority

Gaines Financial Group offers our asset management and wrap fee accounts on both a **discretionary** and **non-discretionary** basis. Discretionary asset management allows us the limited authority to buy and sell investments in your account without asking you each time a transaction is placed. With non-discretionary asset management, we provide investment recommendations but require your approval to proceed. You make the ultimate decision regarding the purchase or sale of investments. Our level of authority is determined at the beginning of our relationship with you in our advisory agreement but can be changed upon request.

##### Investment Offerings

While we can advise on any investment asset, our investment recommendations are primarily related to investments in mutual funds, exchange traded funds and individual debt and/or equities. As a condition for starting and maintaining a relationship, we generally impose a minimum portfolio size of \$500,000 which we may waive at our discretion.

##### Additional Information

For additional information, please see our Form ADV Part 2A and Appendix 1 (with special emphasis on Items 4, 7, and 16 of Part 2A or Items 4.A. and 5 of Appendix 1). <http://www.gainessfinancialgroup.com/brochure>

##### Conversation Starters

- 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 your licenses, education and other qualifications? What do these qualifications mean?

### Item 3. Fees, Costs, Conflicts, and Standard of Conduct

#### "What fees will I pay?"

Gaines Financial Group's fees are based on the type(s) of service(s) we provide.

For asset management, we charge a tiered ongoing asset-based fee in advance, at the end of each quarter. The fee is charged as a percentage of your assets that we manage. The more assets there are in your advisory account, the more you will pay in fees, and we may therefore have an incentive to encourage you to increase the assets in your account.

For stand-alone financial planning services, we charge an hourly fee that is mutually agreed upon at the beginning of the engagement. Our services also include the selection of other advisers, advisory fees charged by other advisers are separate from our advisory fees. Assets managed by such advisers will be included in our tiered ongoing asset-based fee for asset management described above.

Fees associated with any wrap fee program will include most transaction costs and fees to a broker-dealer or bank that has custody of these assets, and therefore are higher than a typical asset-based advisory fee. However, they typically do not include certain dealer-markups and odd lot differentials, transfer taxes, exchange fees mandated by the Securities and Exchanges Act of 1934 and any other charges imposed by law with regard to any transactions in the account.

**Other Fees and Costs:** Some investments, such as mutual funds, impose additional fees that will reduce the value of your investments over time. Those fees may include mutual fund expenses and surrender charges. You may also pay other fees to the custodian of your assets. These include, but may not be limited to, ticket charges on transactions, fees for wire transfers, stop payments, IRA maintenance, duplicate check or statement copies, overnight deliveries, returned checks, and asset transfers.

**Additional Information:** You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce the amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. More detailed information about our fees and costs are included in our Form ADV Part 2A (Items 5). <http://www.gainessfinancialgroup.com/brochure>

**Conversation Starters**

- 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?”**

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.

For example, many of our financial professionals are also registered representatives of a broker-dealer or insurance agents licensed with an insurance company. Through the broker-dealer and/or insurance company, our financial professionals can offer commission-based products for which they receive additional compensation. This additional compensation causes a conflict of interest as they have an incentive to solicit commission-based products. These arrangements and additional information about other conflicts of interest are discussed in more detail in our Form ADV Part 2A. <http://www.gainessfinancialgroup.com/brochure>

**“How else does your firm make money and what conflicts of interest do you have?”**

We only generate revenues from our asset management and financial planning services as described above.

**Conversation Starter**

- How might your conflicts of interest affect me, and how will you address them?

**“How do your financial professionals make money?”**

Our IARs are compensated through the receipt of a portion of revenue we receive for the advisory services we provide. The portion paid to your IAR generally does not vary based on the type of investments that are recommended. However, as described above, several of our IARs are also registered representatives of a broker-dealer and some are also independent insurance agents. When acting in these capacities, they will earn commissions. In addition, some of our IARs that are dually licensed are incented to join and remain with the broker-dealer through, bonus payments, repayable and forgivable loans, stock awards and other benefits more fully described in the Form ADV Part 2A. <http://www.gainessfinancialgroup.com/brochure>

**Item 4. Disciplinary History**

**“Do you or your financial professionals have legal or disciplinary history?”**

Yes, although the Firm has no disciplinary history, certain of our IARs have a disciplinary history. We invite you to visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research our Firm and financial professionals.

**Conversation Starters**

- As a financial professional, do you have any disciplinary history? For what type of conduct?

**Item 5. Additional Information**

Some of our Financial Professionals are registered representatives of LPL Financial LLC (“LPL”), an SEC registered broker-dealer and investment adviser. Your Financial Professional may offer you brokerage services through LPL or investment advisory services through our Firm. Brokerage services and investment advisory services are different, and the fees we, and LPL, charge for those services are different. It is important that you understand the differences. In particular, your Financial Professional may earn additional transaction-based compensation and have additional conflicts of interest as a result of providing brokerage services through LPL. You are encouraged to learn more about LPL by reviewing LPL’s relationship summary at <https://www.lpl.com/disclosures.html> and having a discussion with your Financial Professional. You can also access free and simple tools to help you research firms and financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing. We encourage you to seek out additional information about our services in our Form ADV Brochure on [Investor.gov](http://Investor.gov) or [adviserinfo.sec.gov](http://adviserinfo.sec.gov) (CRD #157037). Alternatively, you can call Gaines Financial Group at (561) 989-0077 to speak with us directly.

**Conversation Starters**

- 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?
- How does your relationship with LPL Financial benefit me?