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IN THE MATTER OF THE AGENT AND §
INVESTMENT ADVISER REPRESENTATIVE §
REGISTRATION OF GEORGE CAIRNES §

Order No. REG-24-DEN-02

TO: George Cairnes (CRD No. 4068906)
14 Leigh Court
Sugarland, TX 77479

DISCIPLINARY ORDER

Be it remembered that George Cairnes ("Respondent") appeared before the Securities Commissioner of the State of Texas ("Securities Commissioner") and consented to the entry of this order ("Order") the Findings of Fact, the Conclusions of Law, and the Undertaking incorporated by reference herein.

FINDINGS OF FACT

1. Respondent has waived (a) Respondent's right to notice and hearing in this matter; (b) Respondent's right to appear and present evidence in this matter; (c) Respondent's right to appeal this Order; and (d) all other procedural rights granted to the Respondent by The Securities Act, Tex. Gov't Code §§ 4001.001-4008.105 ("Texas Securities Act"), and the Administrative Procedure Act, Tex. Gov't Code Ann. §§ 2001.001-2001.903.
2. On July 12, 2023, Respondent applied for registration with the Securities Commissioner as an agent and investment adviser representative of Chelsea Financial Services and Chelsea Advisory Services, Inc., (collectively, "Chelsea Services").
3. Respondent's application form (the "Form U-4") contained multiple disclosures with allegations regarding Respondent's dealings with one of his clients (the "Client") while Respondent was registered with the Securities Commissioner as an agent and investment adviser representative of Wells Fargo Clearing Services, LLC ("WFCS").
4. On November 28, 2023, Chelsea Services withdrew Respondent's application.

Respondent's Dealings With The Client

5. Between May 2015 and April 2023 (the "Relevant Period"), Respondent personally benefitted from his relationship with the Client as a result of a real estate business arrangement Respondent entered into with the Client.
6. Respondent's role included identifying real estate investment opportunities, assisting with buying and selling the real estate properties, repairs to those real estate properties, collecting rent from tenants of those real estate properties, and handling disputes with neighbors to those real estate properties.
7. The Client, meanwhile, provided the financing for all of the transactions. Notably, Respondent assisted the Client in establishing a line of credit collateralized by the Client's brokerage accounts to finance certain real estate transactions.
8. Respondent received at least \$175,000 from the Client for his role in these activities.
9. During the Relevant Period, WFCS' written policies prohibited associates such as Respondent from receiving an improper benefit as a result of their position or relationship with a client.
10. WFCS' written policies also prohibited associates from engaging in outside activities unless the associate received prior approval from WFCS.
11. Respondent did not seek approval for or even disclose to WFCS the work he was engaged in with the Client's real estate transactions.

CONCLUSIONS OF LAW

1. Respondent's business arrangement with the Client violated WFCS's written policies and therefore constitutes an inequitable practice in the sale of securities.
2. Respondent's failure to obtain prior approval of his work with the Client violated WFCS' written policies and also constitutes an inequitable practice in the sale of securities.
3. Pursuant to Section 4007.105(a)(3)(A) of the Texas Securities Act, the aforementioned inequitable practices in the sale of securities constitute bases for the issuance of an order denying Respondent's applications for registration with the Securities Commissioner.

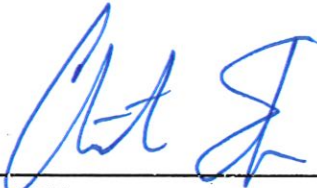
ORDER

1. It is therefore ORDERED that the applications for registration of George Cairnes with the Securities Commissioner are hereby DENIED.
2. It is further ORDERED that George Cairnes COMPLY with the terms of the Undertaking, incorporated by reference herein, wherein Respondent undertakes and agrees: to not reapply for registration with the Securities Commissioner as a dealer, investment adviser, agent of a dealer, or an investment adviser representative for two (2) years from the date this order is signed by the Securities Commissioner, and abide by any additional supervisory requirements in connection with any future registration.



George Cairnes,
Individually

Approved as to Form:



Clinton Edgar,
Deputy Securities Commissioner



Nadda Rungruangphol,
Attorney
Registration Division

SIGNED AND ENTERED BY THE SECURITIES COMMISSIONER this 18th day of April, 2024.



TRAVIS J. ILES
Securities Commissioner