

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
OFFICE OF HEARING OFFICERS**

Department of Enforcement,

Complainant,

v.

James Thaddeus Walesa
CRD No. 1061209,

Respondent.

Disciplinary Proceeding
No. 2023080442901

Hearing Officer—LOM

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: January 20, 2026

INTRODUCTION

Disciplinary Proceeding No. 2023080442901 was filed on August 8, 2025, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA or Complainant). Respondent James Thaddeus Walesa submitted an Offer of Settlement (Offer) to Complainant dated January 13, 2026. Pursuant to FINRA Rule 9270(e), the Complainant and the National Adjudicatory Council (NAC), a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs (ODA) have accepted the uncontested Offer. Accordingly, this Order now is issued pursuant to FINRA Rule 9270(e)(3). The findings, conclusions and sanctions set forth in this Order are those stated in the Offer as accepted by the Complainant and approved by the NAC.

Under the terms of the Offer, Respondent has consented, without admitting or denying the allegations of the Complaint as amended by the Offer, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of FINRA, or to which FINRA is a party, to the entry of findings and violations consistent with the allegations of the Complaint as amended by the Offer, and to the imposition of the sanctions set forth below, and fully

understands that this Order will become part of Respondent’s permanent disciplinary record and may be considered in any future actions brought by FINRA.

BACKGROUND

RESPONDENT AND JURISDICTION

Walesa first registered with FINRA in 1982.

Walesa, through his association with Arkadios Capital (CRD No. 282710) (“Arkadios”), was registered with FINRA as a direct participation programs representative, a general securities principal, a general securities representative, an investment company products and variable contracts principal, an investment company products and variable contracts representative, and an operations professional from September 4, 2019 through December 17, 2021.

On December 17, 2021, Arkadios filed a Uniform Termination Notice for Securities Industry Registration (“Form U5”), which disclosed that Walesa voluntarily left the firm that day.

On November 14, 2023, Arkadios filed an Amendment to the Form U5, disclosing that Walesa was subject of an investment-related, consumer-initiated, arbitration claim—the Statement of Claim—seeking compensatory damages in the amount of \$300,000.

Although Walesa is no longer registered or associated with any FINRA member, he remains subject to FINRA’s jurisdiction for purposes of this proceeding, pursuant to Article V, Section 4(a)(i) of FINRA’s By-Laws, because this Complaint was filed within two years after November 14, 2023, which was the date that Arkadios filed an amendment to the Form U5 disclosing potential actionable conduct within two years of the original Form U5 filing.

FINDINGS AND CONCLUSIONS

It has been determined that the Offer be accepted and that findings be made as follows:

SUMMARY

Respondent James Thaddeus Walesa failed to respond to two FINRA staff requests to provide information and documents, and another two requests to appear for on-the-record testimony, made pursuant to FINRA Rule 8210 as part of FINRA Staff's examination into Walesa's business practices, his voluntary termination from Arkadios Capital, and allegations made against Walesa in [*Customer B & Customer Family Trust*] v. *Arkadios Capital & James Thaddeus Walesa*, FINRA 23-03184, (Nov. 1, 2023) (the "Statement of Claim"). As a result, Walesa violated FINRA Rules 8210 and 2010.

FACTS

In November 2023, FINRA staff began examining the circumstances surrounding the Statement of Claim, including whether Walesa committed sales practice violations and participated in undisclosed private securities transactions while he was registered with Arkadios.

The Statement of Claim alleged, among other things, that on September 24, 2020, three weeks before Customer A passed away at the age of 85, Walesa recommended that Customer A, through the Customer Family Trust, invest \$200,000 in a highly speculative, private placement in AIU Alternative Care, Inc., (now known as Clearday, Inc.) which sold senior care products and offered residential care and adult daily care services. The Statement of Claim further alleged that after Customer A's passing, her daughter Customer B became the successor trustee of the Customer Family Trust, and, in March of 2021, Walesa recommended that Customer B invest another \$100,000 from the Customer Family Trust into the same private placement. The Statement of Claim also alleged that the total \$300,000 investment had become worthless.

Walesa had disclosed his involvement with Allied Integral United ("AIU") as an outside business activity in CRD. In his CRD disclosure, Walesa represented that his role as the

chairman of AIU, which he described as a healthcare and wellness company, was not investment related.

Failure to comply with FINRA Rule 8210

On October 8, 2024, pursuant to FINRA Rule 8210, FINRA staff requested information and documents from Walesa, including a list of Arkadios customers who invested in Clearday, a copy of the offering documents that he provided to Customer A and Customer B in relation to their AIU Alternative Care, Inc. 10.25% Series I Cumulative Convertible Preferred Stock investments, statements regarding other entities that Walesa may have associated with previously, AIU's bank statements, Walesa's personal bank statements, and a list of Internal Revenue Service actions in which Walesa was named individually or as an officer or Clearday, Inc. or as an officer of any entity related to Clearday, Inc. ("October 8 Information and Document Request"). Walesa's response to the October 8 Information and Document Request was due by October 22, 2024.

FINRA staff served the October 8 Information and Document Request upon Walesa's counsel via certified mail to counsel's office address and electronically via FINRA's Request Manager system.

On October 8, 2024, pursuant to FINRA Rule 8210, FINRA also requested that Walesa appear for testimony on October 22, 2024 ("October 8 OTR Request," together with the October 8 Information and Document Request, the "October 8 Requests").

FINRA staff served the October 8 OTR Request upon Walesa's counsel via certified mail to counsel's office address and electronically via FINRA's Request Manager system.

On October 21, 2024, counsel for Walesa sent FINRA staff a letter, via email, informing FINRA that Walesa would not comply with the October 8 Requests and claimed that Walesa was no longer subject to FINRA's jurisdiction.

Walesa did not produce any documents or information in response to the October 8 Information and Document Request, and he did not appear for testimony in response to the October 8 OTR Request.

On November 4, 2024, pursuant to FINRA Rule 8210, FINRA staff sent a second request for the information and documents sought in the October 8 Information and Document Request ("November 4 Information and Document Request"). The November 4 Information and Document Request included a copy of the October 8 Information and Document Request and articulated the basis of FINRA's jurisdiction over Walesa. Walesa's response to the November 4 Information and Document Request was due by November 12, 2024.

FINRA staff served the November 4 Information and Document Request upon Walesa's counsel via certified mail to counsel's office address and electronically via email.

On November 4, 2024, pursuant to FINRA Rule 8210, FINRA staff sent a second request for Walesa's testimony and requested that Walesa appear for testimony on November 12, 2024 ("November 4 OTR Request," together with the November 4 Information and Document Request, the "November 4 Requests"). The November 4 OTR Request enclosed a copy of the October 8 OTR Request and articulated the basis of FINRA's jurisdiction over Walesa.

FINRA staff served the November 4 OTR Request upon Walesa's counsel via certified mail to counsel's office address.

On December 17, 2024, counsel for Walesa sent FINRA staff a letter, via email, informing FINRA that Walesa would not comply with the November 4 Requests claiming again that Walesa was not subject to FINRA’s jurisdiction.

To date, Walesa has not produced any documents or information in response to the October 8 Information and Document Request or the November 4 Information and Document Request, nor did he appear for testimony in response to the October 8 OTR Request or the November 4 OTR Request.

FIRST CAUSE OF ACTION
Failure to Provide Information
(Violations of FINRA Rules 8210 and 2010)

FINRA Rule 8210(a)(1) provides that FINRA staff may “require a . . . person subject to FINRA’s jurisdiction to provide information . . . in writing . . . and to testify at a location specified by FINRA staff, under oath or affirmation . . . with respect to any matter involved in [an] investigation, complaint, examination, or proceeding.”

FINRA Rule 8210(a)(2) further provides that FINRA staff may “inspect and copy the books, records, and accounts of such member or person with respect to any matter involved in the investigation, complaint, examination, or proceeding that is in [that] . . . person’s possession, custody or control.”

FINRA Rule 8210(c) provides that “[n]o member or person shall fail to provide information or testimony . . . pursuant to this Rule.”

A violation of FINRA Rule 8210 also constitutes a violation of FINRA Rule 2010, which requires associated persons to “observe high standards of commercial honor and just and equitable principles of trade.”

While subject to FINRA's jurisdiction, Walesa failed to comply with FINRA staff's requests for information and documents made pursuant to FINRA Rule 8210, *i.e.*, the October 8 Information and Document Request and the November 4 Information and Document Request.

The October 8 and November 4 Information and Document Requests sought information and documents that were material and necessary to FINRA's investigation into the circumstances surrounding the Statement of Claim, including whether Walesa committed sales practice violations and participated in undisclosed private securities transactions while he was registered with a FINRA member firm.

Walesa's failure to provide the requested information and documents in response to FINRA's October 8 and November 4 Information and Document Requests impeded FINRA staff's investigation into his conduct because it deprived FINRA staff of necessary documents and information to investigate whether Walesa committed sales practice violations and participated in undisclosed private securities transactions.

By failing to produce the documents and information requested pursuant to FINRA Rule 8210, Walesa violated FINRA Rules 8210 and 2010.

SECOND CAUSE OF ACTION
Failure to Appear for Testimony
(Violations of FINRA Rules 8210 and 2010)

While subject to FINRA's jurisdiction, Walesa failed to appear and provide testimony requested pursuant to FINRA Rule 8210.

Walesa's testimony was material to FINRA's investigation concerning whether Walesa committed sales practice violations and participated in undisclosed private securities transactions while registered with a FINRA member firm.

Walesa's failure to provide on-the-record testimony pursuant to FINRA's October 8 and November 4 OTR Requests impeded FINRA staff's investigation into his conduct because FINRA staff was unable to obtain Walesa's testimony regarding among other things, his activities with AIU and Clearday; his activities with respect to other investments; and his recommendations, if any, to Customer A, Customer B, and other customers.

By failing to appear for testimony pursuant to FINRA Rule 8210, Walesa violated FINRA Rules 8210 and 2010.

Based on these considerations, the sanctions hereby imposed by the acceptance of the Offer are in the public interest, are sufficiently remedial to deter Respondent from any future misconduct, and represent a proper discharge by FINRA, of its regulatory responsibility under the Securities Exchange Act of 1934.

SANCTIONS

It is ordered that Respondent be barred from associating in any capacity with any FINRA member.

The sanctions imposed herein shall be effective on a date set by FINRA staff. A bar or expulsion shall become effective upon approval or acceptance of this Order.

SO ORDERED.

FINRA

Signed on behalf of the
Director of ODA, by delegated authority

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