

# Arbitrator Disclosure Report

Report reflects information provided by the arbitrator through 04/13/2015

## ARBITRATOR

Name:	Mr. John J. Duval, Sr.	Skills in Controversy:	
Arbitrator ID:	A17245	Skills in Securities:	
CRD #:	1338268	Account Related - Dividends, Account Related - Margin Calls, Account Related - Transfer, Executions - Execution Price, Executions - Limit/Stop/Market Order, Employment - Commissions, Employment - Compensation, Employment - Partnerships, Employment - Promissory Notes, Employment - Wrongful Termination, Other - Recruitment Disputes, Trading Disputes - Mark-ups, Trading Disputes - Stock Loans	
City/State/Country:	Manchester / ME / United States		
Classification:	Non-public		
FINRA Mediator:			
Chair Status:	Qualified		
DR Portal Registered:	Yes		

## EMPLOYMENT

<u>Start Date</u>	<u>End Date</u>	<u>Firm</u>	<u>Position</u>
04/2015	Present	Kelly & Associates, LLC	Investment Advisor Rep.
08/2008	12/2008	Practicing Law Institute	Faculty Member
01/2008	12/2010	SEC Enforcement Division	Investigative Consultant
02/2005	10/2009	Duval Asset Management	Managing Director
10/2001	Present	Self-employed	Sole Proprietor
01/2001	10/2001	Merrill Lynch (Scarsdale, NY)	Resident Manager
05/1999	01/2001	Radio Wall Street	Financial Commentator
06/1997	07/1999	Merrill Lynch	District Annuity Specialist
01/1997	07/1999	Merrill Lynch	Manager Resource Center
01/1984	06/1997	Merrill Lynch	Broker/Manager
01/1979	01/1984	Curtin Matheson Scientific	Medical Sales
01/1971	01/1979	Duval Transportation Company	Owner/trucking cargo, airlines
01/1969	01/1971	Laird, Bissell & Meeds	Broker
01/1965	12/1969	Merrill Lynch	Acct. Exec./Broker - J.E.T. Pr
01/1964	01/1965	Liberty Mutual Insurance Company	Claims Adjuster

## EDUCATION

<u>Start Date</u>	<u>End Date</u>	<u>School</u>	<u>Degree</u>
01/1967	01/1968	Rollins College	-

09/1960

06/1964

Florida Southern College

BS

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**TRAINING**

<u>Completed</u>	<u>Description</u>	<u>Details</u>	<u>Firm/School</u>	<u>Hours</u>	<u>Location</u>
11/2014	Expungement online revised - 3/2009		FINRA	1.5	online
05/2014	Discovery Training (2011)		FINRA	1	online
04/2009	Motion to Dismiss Training		FINRA		
12/2008	Expungement - 2008 Refresher		FINRA	1	
08/2008	Mediation Training	Basic Mediation Training	Safehorizon Mediation Program	32	
11/2007	Additional Securities Training	Hedge Funds	FINRA Wharton CRCP		
04/2007	Additional Securities Training	Supervision in Securities Industries I & II	FINRA Wharton	6	
02/2007	Revised Code of Arbitration		NASD	2	online
10/2006	Additional Securities Training	E-Learning Exchange Hedge Funds	NASD		
05/2006	Additional Securities Training	E-Learning Exchange	NASD		
05/2006	Additional Securities Training	Retail Branch Supervision	NASD E-Learning		Online
01/2006	Additional Securities Training	Portfolio Management	FINRA/Wharton	12	
03/2005	Additional Securities Training	Variable Products & Regulation Symp	NASD/Wharton		
01/2005	Expungement online mini-course		NASD	1.5	online
10/2004	Additional Securities Training	Technical Analysis 2	New York Institute of Finance		
07/2004	Additional Securities Training	Variable Annuities II	NASD/Wharton		
06/2004	Additional Securities Training		Assn of the Bar NYC Securities Arb.	2.5	
03/2004	Non-Securities Related Training		NY Institute of Finance		
08/2002	Mediation Training	Basic Mediation	Cardozo Law School	32	
06/2002	Additional Securities Training	Interactive Workshop II	NYSE	3	New York, NY
06/2002	Mediation Training	The Counselors of Real Estate	NASD		
06/2002	Mediation Training	Basic Mediation	Cardozo Law School		
05/1999	New Chairperson Training [NASD]		NASD	11	New York, NY
03/1999	Additional Securities Training		NYSE	2	
12/1997	New Panel Member Training [NASD]		NASD	11	location varies

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**DISCLOSURE/CONFLICT INFORMATION**

<u>Type</u>	<u>Firm Name</u>	<u>Details</u>
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Related Conflict With	Advest, Inc.	Conflict due to a merger/acquisition
Related Conflict With	Banc Of America Investment Services, Inc.	Conflict due to a merger/acquisition
Related Conflict With	Banc Of America Securities Llc	Conflict due to a merger/acquisition
Has an account with	Fidelity	
Related Conflict With	Fidelity Distributors Corporation	Conflict due to a merger/acquisition
Related Conflict With	Fidelity Investments Institutional Services Company, Inc.	Conflict due to a merger/acquisition
Has an account with	Merrill Lynch Pierce Fenner & Smith	
Related Conflict With	Merrill Lynch Professional Clearing Corp.	Conflict due to a merger/acquisition
Related Conflict With	National Financial Services Llc	Conflict due to clearing relationship
Is an Expert/Consultant against	UBS	
Related Conflict With	UBS Financial Services Incorporated Of Puerto Rico	Conflict due to a merger/acquisition
Related Conflict With	UBS Global Asset Management (Us) Inc.	Conflict due to a merger/acquisition
Related Conflict With	UBS Securities LLC	Conflict due to a merger/acquisition
Related Conflict With	Ubs Fund Services (Usa) Llc	Conflict due to a merger/acquisition
Had an account with	E*Trade	
Was an Expert/Consultant for	First Union Securities (2001)	Became Wachovia Securities, LLC
Has made a disclosure about	First Union Securities (Wachovia Securities, LLC)	Testified against firm (2001)
Has made a disclosure about	Fisher Asset Manager	Testified against firm
Was an Expert/Consultant for	InterActive Brokers	
Has an account with	Merrill Lynch	
Has made a disclosure about	Merrill Lynch	Testified against firm
Has made a disclosure about	Morgan Stanley	Testified against firm
Was Arbitrator for	NYSE	
Was Mediator for	NYSE	
Arbitrator for	National Futures Association (NFA)	
Licensed to Practice	New York State	Life, accident & health (expired)
Was an Expert/Consultant for	Smith Barney	
Has made a disclosure about	Smith Barney	Testified against firm
Was an Expert/Consultant for	UBS	
Has made a disclosure about	UBS	Testified against firm
Is an Expert/Consultant for		Retained by both sides.
Held Securities License(s)		Series 7, 8 and 65

## PUBLICLY AVAILABLE AWARDS

Publicly Available Awards Section, Current as of 04/15/2015

<u>Case ID</u>	<u>Case Name</u>	<u>Close Date</u>
10-03241	Carole Liotti vs. Morgan Wilshire Securities, Inc., Woodstock Financial Group, Inc. and Brian Mandart	06/24/2011
07-03418	Robert Granville Knox vs. Zions First National Bank and Zions Direct, Inc.	07/01/2009

08-03572	Gary Neil Kornbluh vs. M & T Securities, Inc.	04/01/2009
08-00512	STMicroelectronics N.V. vs. Credit Suisse Securities (USA) LLC	02/13/2009
03-09243	Joseph A. Critelli vs. Salomon Smith Barney, Inc. and Dick Peer	02/24/2005
02-01778	Gedalje Greenblatt vs. Prudential Securities, Inc., Steven Moskowitz and Louis Liberatore	11/19/2003
02-04048	Samuel N. Gaita v. Barron Chase Securities, Salomon Grey Financial Corp, Federal Street Investments, et al	11/05/2003
02-03964	Nadia and John Behette vs. Joseph Burgos	08/26/2003
00-04760	Rick Tripi v. Prudential Securities Incorporated	05/03/2002
00-04817	Kenneth A. DeLonge v. J.W. Barclay & Co., Inc., John Joseph Cioffoletti and John Bruno	12/03/2001
99-03622	Emil Yamen Shasha v. Camelot Investment Corp.; John Joseph Fasano Jr.; George Konstantinos Doumanis	08/01/2000
97-03597	John Bianco and Marie Burke vs. Mary Ellen Kay, Bear, Stearns & Co., Inc. and Prudential Securities, Inc.	01/26/1999

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### CASES CURRENTLY ASSIGNED INVOLVING PUBLIC CUSTOMERS

<u>Case ID</u>	<u>Securities Firms and Associated Persons</u>	<u>Date Assigned</u>	<u>Role</u>
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There are no currently assigned cases.

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### CASES CURRENTLY ASSIGNED NOT INVOLVING PUBLIC CUSTOMERS

<u>Case ID</u>	<u>Securities Firms and Associated Persons</u>	<u>Date Assigned</u>	<u>Role</u>
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There are no currently assigned cases.

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### ARBITRATOR BACKGROUND INFORMATION

Currently, I am employed with Kelly & Associates, LLC as an Investment Advisor Representative. Before retirement in 2001, I was OSJ and Branch Manager of the Merrill Lynch Scarsdale, New York office. Previously, I was Manager of the New York City District Professional Resource Center which is comprised of over 40 specialists serving 700+ brokers and clients in the areas of Trusts, Managed Money, Insurance, Annuities, Estate Planning, Financial Planning, Business Loans, 401-K's, Mutual Funds and mortgages. In that capacity, I was also the Merrill Lynch District Annuity Specialist working with over 10 contracted insurance companies. I was also the Merrill Lynch Branch Manager in Spartanburg, S.C. as well as a Financial Consultant in Hendersonville, NC. where I managed over \$200,000,000 in assets of primarily retirees.

I have 22 years with Merrill Lynch and in the industry, of which over 6 years was in management, I have a working knowledge of SEC, NASD, and NYSE rules and regulations and especially supervision. As a Manager, I have reviewed over 1,000 daily trade blotters and been involved in dozens of employment situations involving hiring and firing. I am presently an arbitrator with FINRA formerly NASD, and formerly a arbitrator and mediator with the NYSE. I am also a Litigation Consultant and an expert witness having represented both sides. I actively solicit cases from both Claimant and Respondent Counsels. All my licenses expired. I have published articles and they are available on my website: [www.johnduval.com](http://www.johnduval.com)

Despite my career in the financial services industry, I remain, as an arbitrator, neutral. I am unbiased and not worried about being selected for the next case. I try to exercise wisdom and judgement in the pursuit of equity.

"On July 23, 2008, the arbitrator responded to a FINRA survey about auction rate securities. In the response, the arbitrator disclosed that since January 1, 2005, the arbitrator has not been employed by or associated with a brokerage firm that sold auction rate securities."

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# John J. Duval, Sr. / Arbitration Expert - Mediator

Litigation Consultant / Expert Testimony

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website/ [www.johnduval.com](http://www.johnduval.com)

## John J. Duval, Sr.

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John's 33-year career in the financial services industry includes positions with Merrill Lynch management at the branch and district levels, subsequent securities consulting, asset management, and securities arbitration and litigation. At the District level, in New York City, John managed over 40 'Specialists' who served 700+ brokers and their clients in specific areas as trusts, financial planning, insurance, annuities, mutual funds, managed money, mortgages, business loans, high net worth management, structured products, and risk management. In these areas, John was responsible for compliance, suitability, and supervision along with the respective branch managers in the District. In addition, he was the Merrill Lynch District Annuity Specialist and a Vice President of Merrill Lynch Life Agency, one of the largest insurance agencies in the US. As a FINRA and NFA arbitrator and litigation consultant/expert witness (the latter for both sides), he has reviewed and testified on over 50 member firms' Written Supervisory Procedures.

John's retail experience as a broker was primarily in a retirement community where his 'book' was over \$250 million consisting of around 1,000 clients. He has never had a complaint and his U-4 and U-5 are pristine. He believes he has had no complaints because he understood suitability and asset allocation and practiced it, in addition to "knowing his clients".

Since his second retirement from Merrill Lynch in 2001, John has been retained in over 300 cases and testified over 60 times. John has testified for both Claimants and Respondents. In addition, he regularly attends his client's mediations as an expert where he offers expertise in case analysis and settlement negotiations. Being an active arbitrator gives him substantial insight into case possibilities. John is also a mediator and has been retained by both claimants and respondents to mediation their disputes.

John was a principal and an IAR in Duval Asset Management LLC, a Registered Investment Advisor. During 2008-2010, John was an Investigative Consultant for the Enforcement Division of the United States Securities and Exchange Commission. He subsequently testified upon the Commission's behalf in a case against a broker/dealer of which the vast majority of their business was with elderly investors who were solicited for variable annuities. Other regulatory work includes research and expert report for the Attorney General's Office, State of Maryland. In April 2009, John re-licensed as an Investment Advisor Representative through Kelly & Associates, RIA, West Palm Beach, Florida.

# Employment

Kelly & Associates, RIA, West Palm Beach, Florida  
2015 - Investment Advisor Representative  
Present

Heterodox  
2007 *Minority Owner*  
Global-Maco Hedge Fund

Duval Asset Management LLC  
2005-2009 *Managing Director*  
Principal, Registered Investment Advisory firm

John Duval Associates  
2001-Present *Owner*  
Principal and manager of securities arbitration consulting and litigation firm, expert testimony. In addition to being a mediator and offering mediation services.

Merrill Lynch & Co.  
2001 *Vice President/Branch Office Manager, OSJ*  
Manager of Scarsdale, New York office

RadioWallStreet.com  
1999-2000 *Correspondent*  
World-wide, virtual, interviews with CEO's and security analysts

Merrill Lynch & Co.  
1997-1999 *Manager Professional Resource Center, New York City District*  
Vice President, Annuity Specialist

Merrill Lynch & Co.  
1992-1997 *Senior Vice President/Financial Consultant*  
Hendersonville, North Carolina office

Merrill Lynch & Co.  
1989-1992 *Vice President/Branch Office Manager, OSJ*  
Branch manager for Spartanburg, South Carolina office

Merrill Lynch & Co.  
1984-1989 *Account Executive/Financial Consultant*  
Hendersonville, North Carolina office

Curtin Matheson Scientific  
1979-1984 *Florida Operations Manager*  
Scientific and diagnostic instrument company

## Employment - Continued

Duval Transportation Company

1971-1979 *Principal*

Owner of airline and trucking company in Orlando, Florida

Laird, Bissel & Meeds

1969-1971 *Account Executive*

Financial Consultant, Winter Park, Florida office

Merrill Lynch & Co.

1967-1969 *Account Executive*

Financial Consultant, Orlando, Florida office

Merrill Lynch

1965-1967 *Junior Executive Training Program*

Two year training program, New York City

Internship included rotation in exchange floor operation, stock and bond trading desk, government securities, commodities and municipal bonds.

Liberty Mutual

1964-1965 *Tort Claims Representative*

Claims adjuster in Miami, Florida

## Education

Florida Southern College

1964 B.S. Journalism, Business Administration

Rollins College

1968 12 hours graduate accounting

## Licenses, Accreditations, and Training

Securities Licenses Held: Series 7, 8, 63, 65 (Expired) Series 65 again in 2006, again in 2015

Resident Insurance Licenses Held: Life, Health, Variable Products: New York,

North Carolina, South Carolina (Expired)

Non-Resident Insurance Licenses in over 30 states

NASD Arbitrator/FINRA (1998 - present)

NYSE Arbitrator (1997 - 2007 merger)

NYSE Mediator (2002 - 2007 merger)

NFA Arbitrator (2015 - Present)

## Licenses, Accreditations, and Training — Continued

NASD Certified Regulatory and Compliance Professional Candidate

March 2005 Variable Products and Regulation Symposium  
May 2006 Portfolio Management

NASD Certified Regulatory and Compliance Professional Candidate

April 2007 Supervision I & II  
November 2007 Hedge Funds

Cardozo School of Law

2002 Mediators Training, 32 hours

Merrill Lynch Branch Management Training

1988

Merrill Lynch School of Advanced Financial Management

1995 Introduction to Financial Planning

NY Institute of Finance

2004 Technical Analysis Two

NASD/FINRA Online Training

2005 Expungement

2014 Discovery

2006 Branch Office Supervision

2014 Expungement (Revised)

2009 Motion to Dismiss

See Profile for additional courses

## Publications

“Variable Annuities, *A Primer for Claimants’ Counsel*,” *PIABA Law Journal* 2003  
(reprinted in *The Practicing Law Institute*, 2003).

“Sub-Accounts = Black Hole of Compliance,” *Annuity Market News*, June 2005.

“Hedge Funds,” Practicing Law Institute, *Securities Arbitration* 2008.

“Suitability Obligations When Using Specialists,” October 16, 2003  
white paper published on [www.accelerant.biz](http://www.accelerant.biz) blog.