

## BrokerCheck Report

# PROFESSIONAL ASSET MANAGEMENT, INC.

CRD# 21125

<u>Section Title</u>	<u>Page(s)</u>
Report Summary	1
Registration and Withdrawal	2
Firm Profile	3 - 5
Firm History	6
Firm Operations	7 - 11
Disclosure Events	12



When communicating online or investing with any professional, make sure you know who you're dealing with. [Imposters](#) might link to sites like BrokerCheck from [phishing](#) or similar scam websites, or through [social media](#), trying to steal your personal information or your money.

Please contact FINRA with any concerns.

## About BrokerCheck®



BrokerCheck offers information on all current, and many former, registered securities brokers, and all current and former registered securities firms. FINRA strongly encourages investors to use BrokerCheck to check the background of securities brokers and brokerage firms before deciding to conduct, or continue to conduct, business with them.

- **What is included in a BrokerCheck report?**

- BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.

- Please note that the information contained in a BrokerCheck report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

- **Where did this information come from?**

- The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:
  - information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
  - information that regulators report regarding disciplinary actions or allegations against firms or brokers.

- **How current is this information?**

- Generally, active brokerage firms and brokers are required to update their professional and disciplinary information in CRD within 30 days. Under most circumstances, information reported by brokerage firms, brokers and regulators is available in BrokerCheck the next business day.

- **What if I want to check the background of an investment adviser firm or investment adviser representative?**

- To check the background of an investment adviser firm or representative, you can search for the firm or individual in BrokerCheck. If your search is successful, click on the link provided to view the available licensing and registration information in the SEC's Investment Adviser Public Disclosure (IAPD) website at <https://www.adviserinfo.sec.gov>. In the alternative, you may search the IAPD website directly or contact your state securities regulator at <http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/P455414>.

- **Are there other resources I can use to check the background of investment professionals?**

- FINRA recommends that you learn as much as possible about an investment professional before deciding to work with them. Your state securities regulator can help you research brokers and investment adviser representatives doing business in your state.

- 

**Thank you for using FINRA BrokerCheck.**



Using this site/information means that you accept the FINRA BrokerCheck Terms and Conditions. A complete list of Terms and Conditions can be found at [brokercheck.finra.org](http://brokercheck.finra.org)



For additional information about the contents of this report, please refer to the User Guidance or [www.finra.org/brokercheck](http://www.finra.org/brokercheck). It provides a glossary of terms and a list of frequently asked questions, as well as additional resources. [For more information about FINRA, visit www.finra.org.](http://www.finra.org)



Report Summary for this Firm

This report summary provides an overview of the brokerage firm. Additional information for this firm can be found in the detailed report.

Firm Profile

This firm is classified as a corporation.  
This firm was formed in Michigan on 09/10/1987.  
Its fiscal year ends in September.

Firm History

Information relating to the brokerage firm's history such as other business names and successions (e.g., mergers, acquisitions) can be found in the detailed report.

Firm Operations

This brokerage firm is no longer registered with FINRA or a national securities exchange.

Disclosure Events

Brokerage firms are required to disclose certain criminal matters, regulatory actions, civil judicial proceedings and financial matters in which the firm or one of its control affiliates has been involved.

Are there events disclosed about this firm? **Yes**

The following types of disclosures have been reported:

Type	Count
Regulatory Event	2
Arbitration	1

PROFESSIONAL ASSET MANAGEMENT, INC.

CRD# 21125  
SEC# 8-38813

Main Office Location

1120 E LONG LAKE ROAD  
STE 250  
TROY, MI 48085

Mailing Address

1120 E LONG LAKE ROAD  
STE 250  
TROY, MI 48085

Business Telephone Number

248-433-2800

## Registration Withdrawal Information

This section provides information relating to the date the brokerage firm ceased doing business and the firm's financial obligations to customers or other brokerage firms.



**Date firm ceased business:** 08/29/2011

**Does this brokerage firm owe any money or securities to any customer or brokerage firm?** No



## Firm Profile

This firm is classified as a corporation.

This firm was formed in Michigan on 09/10/1987.

Its fiscal year ends in September.

## Firm Names and Locations

This section provides the brokerage firm's full legal name, "Doing Business As" name, business and mailing addresses, telephone number, and any alternate name by which the firm conducts business and where such name is used.

### PROFESSIONAL ASSET MANAGEMENT, INC.

Doing business as PROFESSIONAL ASSET MANAGEMENT, INC.

**CRD#** 21125

**SEC#** 8-38813

### Main Office Location

1120 E LONG LAKE ROAD  
STE 250  
TROY, MI 48085

### Mailing Address

1120 E LONG LAKE ROAD  
STE 250  
TROY, MI 48085

### Business Telephone Number

248-433-2800



## Firm Profile

This section provides information relating to all direct owners and executive officers of the brokerage firm.

### Direct Owners and Executive Officers

**Legal Name & CRD# (if any):** FLAM, JOAN EDWINA

719351

**Is this a domestic or foreign entity or an individual?** Individual

**Position** MO/CORP. SEC.

**Position Start Date** 10/1987

**Percentage of Ownership** 50% but less than 75%

**Does this owner direct the management or policies of the firm?** Yes

**Is this a public reporting company?** No

---

**Legal Name & CRD# (if any):** JOHNSON, PETER CHARLES

854653

**Is this a domestic or foreign entity or an individual?** Individual

**Position** PRESIDENT/TREASURER/CCO

**Position Start Date** 10/1987

**Percentage of Ownership** 50% but less than 75%

**Does this owner direct the management or policies of the firm?** Yes

**Is this a public reporting company?** No

---

## Firm Profile

This section provides information relating to any indirect owners of the brokerage firm.

### Indirect Owners

No information reported.



## Firm History

This section provides information relating to any successions (e.g., mergers, acquisitions) involving the firm.

No information reported.



## Firm Operations

### Registrations

This section provides information about the regulators (Securities and Exchange Commission (SEC), self-regulatory organizations (SROs), and U.S. states and territories) with which the brokerage firm is currently registered and licensed, the date the license became effective, and certain information about the firm's SEC registration.

**This firm is no longer registered.**

**The firm's registration was from 01/26/1988 to 10/28/2011.**





## Firm Operations

### Types of Business

This section provides the types of business, including non-securities business, the brokerage firm is engaged in or expects to be engaged in.

**This firm currently conducts 5 types of businesses.**

#### Types of Business

Mutual fund retailer
Broker or dealer selling variable life insurance or annuities
Broker or dealer selling tax shelters or limited partnerships in primary distributions
Non-exchange member arranging for transactions in listed securities by exchange member
Other - REAL ESTATE INVESTMENT TRUST & 1031 EXCHANGES

#### Other Types of Business

This firm does not effect transactions in commodities, commodity futures, or commodity options.

This firm does engage in other non-securities business.

Non-Securities Business Description: 11B INSURANCE (LIFE, ACCIDENT & HEALTH)

## **Firm Operations**



### **Clearing Arrangements**

**This firm does not hold or maintain funds or securities or provide clearing services for other broker-dealer(s).**

### **Introducing Arrangements**

**This firm does not refer or introduce customers to other brokers and dealers.**

## **Firm Operations**

### **Industry Arrangements**



**This firm does not have books or records maintained by a third party.**

**This firm does not have accounts, funds, or securities maintained by a third party.**

**This firm does not have customer accounts, funds, or securities maintained by a third party.**

#### **Control Persons/Financing**

**This firm does not have individuals who control its management or policies through agreement.**

**This firm does not have individuals who wholly or partly finance the firm's business.**



## Firm Operations

### Organization Affiliates

This section provides information on control relationships the firm has with other firms in the securities, investment advisory, or banking business.

**This firm is not, directly or indirectly:**

- in control of
  - controlled by
  - or under common control with
- the following partnerships, corporations, or other organizations engaged in the securities or investment advisory business.**

**This firm is not directly or indirectly, controlled by the following:**

- bank holding company
- national bank
- state member bank of the Federal Reserve System
- state non-member bank
- savings bank or association
- credit union
- or foreign bank



Disclosure Events

All firms registered to sell securities or provide investment advice are required to disclose regulatory actions, criminal or civil judicial proceedings, and certain financial matters in which the firm or one of its control affiliates has been involved. For your convenience, below is a matrix of the number and status of disclosure events involving this brokerage firm or one of its control affiliates. Further information regarding these events can be found in the subsequent pages of this report.

	Pending	Final	On Appeal
Regulatory Event	0	2	0
Arbitration	N/A	1	N/A

## Disclosure Event Details

### What you should know about reported disclosure events:

1. **BrokerCheck provides details for any disclosure event that was reported in CRD. It also includes summary information regarding FINRA arbitration awards in cases where the brokerage firm was named as a respondent.**
2. **Certain thresholds must be met before an event is reported to CRD, for example:**
  - A law enforcement agency must file formal charges before a brokerage firm is required to disclose a particular criminal event.
3. **Disclosure events in BrokerCheck reports come from different sources:**
  - Disclosure events for this brokerage firm were reported by the firm and/or regulators. When the firm and a regulator report information for the same event, both versions of the event will appear in the BrokerCheck report. The different versions will be separated by a solid line with the reporting source labeled.
4. **There are different statuses and dispositions for disclosure events:**
  - A disclosure event may have a status of *pending*, *on appeal*, or *final*.
    - A "pending" event involves allegations that have not been proven or formally adjudicated.
    - An event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
    - A "final" event has been concluded and its resolution is not subject to change.
  - A final event generally has a disposition of *adjudicated*, *settled* or *otherwise resolved*.
    - An "adjudicated" matter includes a disposition by (1) a court of law in a criminal or civil matter, or (2) an administrative panel in an action brought by a regulator that is contested by the party charged with some alleged wrongdoing.
    - A "settled" matter generally involves an agreement by the parties to resolve the matter. Please note that firms may choose to settle customer disputes or regulatory matters for business or other reasons.
    - A "resolved" matter usually involves no payment to the customer and no finding of wrongdoing on the part of the individual broker. Such matters generally involve customer disputes.
5. **You may wish to contact the brokerage firm to obtain further information regarding any of the disclosure events contained in this BrokerCheck report.**

### Regulatory - Final

This type of disclosure event involves (1) a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, self-regulatory organization, federal regulator such as the U.S. Securities and Exchange Commission, foreign financial regulatory body) for a violation of investment-related rules or regulations; or (2) a revocation or suspension of the authority of a brokerage firm or its control affiliate to act as an attorney, accountant or federal contractor.

### Disclosure 1 of 2

**Reporting Source:** Regulator

**Current Status:** Final



**Allegations:** IT IS UNLAWFUL FOR ANY PERSON TO TRANSACT BUSINESS FROM OR IN THIS STATE AS A BROKER-DEALER UNLESS THE PERSON IS REGISTERED AS A BROKER-DEALER ... (AND) IT IS UNLAWFUL FOR ANY BROKER-DEALER TO EMPLOY AN AGENT TO TRANSACT BUSINESS AS AN AGENT UNLESS THE AGENT IS REGISTERED... TENNESSEE CODE ANNOTATED 48-2-109. THE RESPONDENT BROKER-DEALER HAD BEEN PREVIOUSLY REGISTERED IN THE STATE OF TENNESSEE AND HAD REQUESTED TERMINATION OF ITS REGISTRATION ON 10/31/2000. THE RESPONDENT CONTINUED TO EFFECT APROX 450 SECURITIES TRANSACTIONS, WITHOUT PROPER REGISTRATION, FROM, IN, OR INTO THE STATE OF TENNESSEE THROUGH ITS UNREGISTERED TENNESSEE-RESIDENT AGENT DURING THE PERIOD OF TIME BETWEEN 10/31/2000 AND 06/16/2004.

**Initiated By:** TENNESSEE DEPARTMENT OF COMMERCE AND INSURANCE SECURITIES DIVISION

**Date Initiated:** 06/16/2004

**Docket/Case Number:** NO.: 04-008

**URL for Regulatory Action:**

**Principal Product Type:** No Product

**Other Product Type(s):**

**Principal Sanction(s)/Relief Sought:** Cease and Desist

**Other Sanction(s)/Relief Sought:**

**Resolution:** Consent

**Resolution Date:** 06/16/2004

**Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?** No

**Sanctions Ordered:** Monetary/Fine \$22,500.00

**Other Sanctions Ordered:**

**Sanction Details:** CIVIL PENALTY AMOUNT OF \$22,500 WAS PAID AND BROKER-DEALER REGISTRATION IN THE STATE OF TENNESSEE WAS APPROVED ON 06/16/2004.

**Regulator Statement** THIS CONSENT ORDER REPRESENTS THE COMPLETE AND FINAL



RESOLUTION OF, AND DISCHARGE WITH RESPECT TO ALL ADMINISTRATIVE AND CIVIL CLAIMS, DEMANDS, ACTIONS, AND CAUSES OF ACTION BY THE COMMISSIONER AGAINST THE RESPONDENT FOR ALL VIOLATIONS OF THE ACT ALLEGED TO HAVE OCCURRED BECAUSE OF THE BROKER-DEALER'S LACK OF REGISTRATION AND EMPLOYMENT OF AN UNREGISTERED AGENT DURING THE PERIOD OF TIME BETWEEN 10/31/2000 AND 06/16/2004. FOR INFORMATION RELATING TO THIS ACTION, CONTACT: DALE B. CLEMENTS, CHIEF OF ENFORCEMENT, 615-741-5900, <SECURITIES.3@STATE.TN.US>.

---

<b>Reporting Source:</b>	Firm
<b>Current Status:</b>	Final
<b>Allegations:</b>	WE TRANSACTED BUSINESS IN THE STATE OF TENNESSEE WITH MICHIGAN CLIENTS. NOT PERMISSIBLE UNDER THEIR DE MINIMUS RULING. WE NEVER SOLICITED BUSENESS IN THE STATE OF TENNESSEE. THIS RESULTED FROM ONE OF OUR REGISTERED REPRESENTATIVES MOVING TO TENNESSEE.
<b>Initiated By:</b>	TENNESSEE
<b>Date Initiated:</b>	06/16/2004
<b>Docket/Case Number:</b>	NO. 04-008
<b>Principal Product Type:</b>	No Product
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	Censure
<b>Other Sanction(s)/Relief Sought:</b>	RELIEF SOUGHT
<b>Resolution:</b>	Consent
<b>Resolution Date:</b>	06/16/2004
<b>Sanctions Ordered:</b>	Monetary/Fine \$22,500.00
<b>Other Sanctions Ordered:</b>	
<b>Sanction Details:</b>	CIVIL PENALTY AMOUNT OF \$22,500.00 WAS PAID JUNE 4, 2004. NO PORTION WAS WAIVED.
<b>Firm Statement</b>	CIVIL PENALTY AMOUNT OF \$22,500.00 WAS PAID AND OUR BROKER-DEALER REGISTRATION IN THE STATE OF TENNESSEE WAS APPROVED 06/16/2004.

**Disclosure 2 of 2**

<b>Reporting Source:</b>	Regulator
<b>Current Status:</b>	Final
<b>Allegations:</b>	UNLICENSED ACTIVITY
<b>Initiated By:</b>	NEW MEXICO SECURITIES DIVISION
<b>Date Initiated:</b>	05/20/1998
<b>Docket/Case Number:</b>	98-005
<b>URL for Regulatory Action:</b>	
<b>Principal Product Type:</b>	
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	
<b>Other Sanction(s)/Relief Sought:</b>	
<b>Resolution:</b>	Consent
<b>Resolution Date:</b>	05/20/1998
<b>Sanctions Ordered:</b>	Monetary/Fine \$20,000.00
<b>Other Sanctions Ordered:</b>	
<b>Sanction Details:</b>	RESPONDENT AND DIVISION ENTERED INTO A CONSENT AGREEMENT WHEREBY RESPONDENT WAS ASSESSED \$20,000. RESPONDENT AGREED TO WITHDRAW ITS APPLICATION AND NOT REAPPLY FOR LICENSURE FOR ONE YEAR. FINAL ORDER ENTERED PURSUANT TO THE PROVISIONS OF THE CONSENT AGREEMENT.
<b>Regulator Statement</b>	CONTACT: FEDELINA MORALES (505)827-7140

<b>Reporting Source:</b>	Firm
<b>Current Status:</b>	Final
<b>Allegations:</b>	WE TRANSACTED BUSINESS WHEN WE WERE NOT LICENSED IN THE STATE OF NEW MEXICO. UNLICENSED ACTIVITY.
<b>Initiated By:</b>	STATE OF NEW MEXICO



**Date Initiated:** 05/20/1998

**Docket/Case Number:** 98-005

**Principal Product Type:** Equity Listed (Common & Preferred Stock)

**Other Product Type(s):** EQUITY-OTC

**Principal Sanction(s)/Relief Sought:** Cease and Desist

**Other Sanction(s)/Relief Sought:** CIVIL AND ADMINISTRATIVE PENALTIES AND FINES

**Resolution:** Consent

**Resolution Date:** 05/20/1998

**Sanctions Ordered:** Monetary/Fine \$20,000.00  
Cease and Desist/Injunction

**Other Sanctions Ordered:**

**Sanction Details:** THE DIVISON AND PAMI ENTERED INTO A CONSENT AGREEMENT WHEREBY WE WERE ASSESSED \$20,000. WE AGREED TO WITHDRAW OUR APPLICATION AND NOT REAPPLY FOR LICENSURE FOR ONE YEAR. FINAL ORDER ENTERED PURSUANT TO THE PROVISIONS OF THE CONSENT AGREEMENT.



## Arbitration Award - Award / Judgment

Brokerage firms are not required to report arbitration claims filed against them by customers; however, BrokerCheck provides summary information regarding FINRA arbitration awards involving securities and commodities disputes between public customers and registered securities firms in this section of the report.

The full text of arbitration awards issued by FINRA is available at [www.finra.org/awardsonline](http://www.finra.org/awardsonline).

### Disclosure 1 of 1

<b>Reporting Source:</b>	Regulator
<b>Type of Event:</b>	ARBITRATION
<b>Allegations:</b>	ACCOUNT ACTIVITY-MISREPRESENTATION; ACCOUNT ACTIVITY-OMISSION OF FACTS; ACCOUNT ACTIVITY-SUITABILITY; ACCOUNT RELATED-BREACH OF CONTRACT; ACCOUNT RELATED-FAILURE TO SUPERVISE; ACCOUNT RELATED-NEGLIGENCE
<b>Arbitration Forum:</b>	FINRA
<b>Case Initiated:</b>	10/07/2011
<b>Case Number:</b>	<a href="#">11-03804</a>
<b>Disputed Product Type:</b>	OTHER TYPES OF SECURITIES
<b>Sum of All Relief Requested:</b>	\$2,000,000.00
<b>Disposition:</b>	AWARD AGAINST PARTY
<b>Disposition Date:</b>	02/07/2013
<b>Sum of All Relief Awarded:</b>	\$54,782.06

There may be a non-monetary award associated with this arbitration.  
Please select the Case Number above to view more detailed information.

**End of Report**



**This page is intentionally left blank.**