

**Form ADV Part 2B Brochure Supplement
Fredrick J. Anderson**

Item 1 – Cover Page

Fredrick J. Anderson
KFG Wealth Management, LLC

Located at:
123 W. Plymouth St.
Bremen, IN 46506
Ph: 574-546-3821

Supervised From:
6910 N. Main St., Bldg 16, Unit 41
Granger, IN 46530
Ph: 574-247-5898

Date of Supplement: January 2012

This brochure supplement provides information about Fredrick J. Anderson (“Anderson”) that supplements the KFG Wealth Management, LLC (“KFG”) brochure. You should have received a copy of that brochure. Please contact Shawn Persing at 800-258-9574 or via email at spersing@korhorn.com if you did not receive the KFG brochure or if you have any questions about the contents of this supplement.

Additional information about Fredrick J. Anderson is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Educational Background and Business Experience

Fredrick J. Anderson, Born 1949

Educational Background:

- Bachelor’s of Science in Accounting, Indiana State University, 1971

Business Experience:

- KFG Wealth Management, LLC – Investment Advisor Representative – 07/2011 to Present
- Securities America, Inc. – Registered Representative – 10/2010 to Present
- F. Anderson & Co., P.C. – President, CPA – 01/2004 to Present
- Bremen Tool Reconditioning, Inc. – President – 01/199 to Present
- Rental Properties; Fred and Laura Anderson – Landlord – 01/1993 to Present
- Fred Anderson (sole proprietor) – Life/Accident/Health Insurance Agent – 10/27/2000 to Present

Professional Designation:

Certified Public Accountant (CPA)

A Certified Public Accountant (CPA) primarily provides financial audit services, including attesting to the reasonableness of disclosures, freedom from material misstatements and adherence to applicable generally accepted accounting principles. To become a CPA, a candidate must pass the Uniform Certified Public Accountant Examination set by the American Institute of Certified Public Accountants and administered by the National Association of State Boards of Accountancy. Typically, eligibility to sit for the examination requires a candidate to have a Bachelor's Degree that includes a minimum number of qualifying credit hours in accounting and business administration plus an additional one year study. Candidates are also required to have public accounting work experience, with minimum requirements varying from state to state. Applicants for CPA status must also complete a special examination on ethics, including a review of state specific rules for professional practice. All CPAs are required to take continuing education courses. The requirements vary by state but usually require 120 hours of continuing education every three years with at least 20 hours taken every year. Many states require CPAs to take an ethics course during every renewal period, with courses ranging from 2-8 hours.

Item 3 – Disciplinary Information

Fredrick Anderson has no legal or disciplinary events to report.

Item 4 – Other Business Activities

Registered Representative of Securities America, Inc.

Fredrick J. Anderson is separately licensed as a registered representative with Securities America, Inc. ("SAI"), a full service broker/dealer, member Financial Industry Regulatory Authority (FINRA) and Securities Investor Protection Corporation (SIPC). When acting in his separate capacity as a registered representative of SAI, Fredrick Anderson may sell, for commissions, general securities products such as stocks, bonds, mutual funds, exchange-traded funds, and variable annuity and variable life products to advisory clients. As such, he may suggest that advisory clients implement investment advice by purchasing securities products through a commission-based SAI account in addition to a KFG advisory account.

The receipt of commissions creates an incentive for Fredrick Anderson to recommend those products for which he will receive a commission. Consequently, the objectivity of the advice rendered to clients could be biased. Fredrick Anderson controls for this potential conflict of interest by discussing with clients the advantages and disadvantages of establishing a fee-based account through KFG versus establishing a commission-based account through SAI. KFG does not require its advisor representatives to encourage clients to implement investment advice through SAI.

Fredrick Anderson does not earn commissions in fee-based accounts.

Fredrick Anderson will receive 12b-1 fees from certain mutual fund companies as outlined in the fund's prospectus. 12b-1 fees come from fund assets, therefore, indirectly from client assets. The receipt of such fees could represent an incentive for Fredrick Anderson to recommend funds with 12b-1 fees over funds that have no fees or lower fees. Typically, Fredrick Anderson will receive 12b-1 fees only in commission-based brokerage accounts. However, such fees can be earned in fee-based accounts managed by Fredrick Anderson if 12b-1 fee paying mutual funds are held in the managed account. For ERISA accounts, there is an offset for any amount of 12b-1 fees. Fredrick Anderson discusses with clients the selection of a 12b-1 paying mutual fund or other trail

paying mutual funds. KFG maintains records of all 12b-1 fee payments to Fredrick Anderson which may be viewed by clients upon request.

Clients are never obligated or required to establish accounts through KFG or SAI. However, if a client does not choose to accept Fredrick Anderson's advice or decides not to establish an account through SAI or an SAI-approved custodian, Fredrick Anderson may not be able to implement transactions for the client. Clients should understand that, due to certain regulatory constraints, Fredrick Anderson, in his capacity as a SAI registered representative must place all purchases and sales of securities products in commission-based brokerage accounts through SAI or its other approved institutions.

Insurance Agent

Fredrick Anderson is independently licensed to sell insurance and annuity products through various insurance companies. When acting in this capacity, Fredrick Anderson will receive commissions for selling insurance and annuity products.

Fredrick Anderson may also receive other incentive awards for the recommendation/sale of annuities and other insurance products. The receipt of compensation and other incentive benefits may affect the judgment of Fredrick Anderson when recommending products to its clients. While Fredrick Anderson endeavors at all times to put the interest of his/her clients first as a part of Fredrick Anderson's overall fiduciary duty to clients, clients should be aware that the receipt of commissions and additional compensation itself creates a conflict of interest, and may affect Fredrick Anderson's decision making process when making recommendations.

Clients are never obligated or required to purchase insurance products from or through Fredrick Anderson and may choose any independent insurance agent and insurance company to purchase insurance products. Regardless of the insurance agent selected, the insurance agent or agency will receive normal commissions from the sale.

Accountant

Fredrick Anderson is the President and a Certified Public Accountant (CPA) of F. Anderson & Co., P.C. If Fredrick Anderson determines that a client is in need of tax or accounting services, he may refer the client may to F. Anderson & Co. for such services. Clients are not obligated to use F. Anderson & Co. or its services. Clients utilizing the services of F. Anderson & Co. will be charged separate fees from the fees charged by KFG Wealth Management for advisory services. If accounting or tax clients of F. Anderson & Co. are in need of financial planning or other advisory services, Fredrick Anderson acting in his separate capacity as a CPA may refer or recommend investment advisory services available through KFG Wealth Management.

Tool Reconditioning

Fredrick Anderson is the President and 51% owner of Bremen Tool Reconditioning, Inc. a drill sharpening service. Mr. Anderson spends approximately 1% of his time on this business activity.

Landlord

Fredrick Anderson is a landlord of personally owned rental properties. He spends approximately 4% of his time on this business activity.

Item 5 – Additional Compensation

Other than the fees detailed in the KFG's Form ADV Part 2A Disclosure Brochure, Fredrick Anderson receives no other compensation related to advisory services provided to clients.

Item 6 – Supervision

Kevin Korhorn is the Chief Compliance Officer of KFG. He is responsible for developing, overseeing and enforcing the firm's compliance programs that have been established to monitor and supervise the activities and services provided by the firm and its representatives. Shawn Persing serves as the Compliance Manager of KFG and is responsible for administering many of KFG's compliance functions. Korhorn and Persing can be contacted at 574-247-5898.

Item 7 – Requirements for State-Registered Advisers – Legal and Financial Disclosure

Fredrick Anderson has not been involved in an award or otherwise been found liable in an arbitration claim alleging damages in excess of \$2,500. He has not been involved in an award or otherwise been found liable in a civil, self-regulatory organization, or administrative proceeding and has not been the subject of a bankruptcy petition.