

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 3112 / November 22, 2010

ADMINISTRATIVE PROCEEDING
File No. 3-14131

In the Matter of

**F&S Asset Management
Group, Inc.,**

Respondent.

**ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 203(e) OF THE
INVESTMENT ADVISERS ACT OF 1940,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 203(e) of the Investment Advisers Act of 1940 (“Advisers Act”) against F&S Asset Management Group, Inc. (“FSAMG” or “Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over Respondent and the subject matter of these proceedings, and the findings contained in Section III.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 203(e) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds that:

1. FSAMG is an investment adviser registered with the Commission and a Florida corporation with its principal place of business in Jacksonville, Florida. FSAMG has been a registered investment adviser since January 2008. Kenneth Wayne McLeod was FSAMG's President, CEO, and Chief Compliance Officer.

2. On August 13, 2010, a judgment was entered by consent against FSAMG, permanently enjoining it from future violations of Section 17(a) of the Securities Act of 1933, Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") and Exchange Act Rule 10b-5, and Sections 206(1) and 206(2) of the Advisers Act, in the civil action entitled Securities and Exchange Commission v. Estate of Kenneth Wayne McLeod, et al., Civil Action Number 10-22078-CIV-MORENO, in the United States District Court for the Southern District of Florida.

3. The Commission's complaint alleged that, among other things, from at least 2008 through June 2010, McLeod and FSAMG violated the antifraud provisions of the federal securities laws in connection with a Ponzi scheme, through which McLeod raised at least \$34 million from active and retired federal and state government employees. The complaint alleged that McLeod and FSAMG solicited employees to invest in a purported bond fund invested in long-term government securities and promised them guaranteed, tax-free returns of eight to ten percent annually. The complaint alleged that, in reality, the purported bond fund did not exist.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanction agreed to in Respondent's Offer.

Accordingly, it is hereby ORDERED:

Pursuant to Section 203(e) of the Advisers Act that, Respondent FSAMG's registration be, and hereby is, revoked.

By the Commission.

Elizabeth M. Murphy
Secretary

Service List

Rule 141 of the Commission's Rules of Practice provides that the Secretary, or another duly authorized officer of the Commission, shall serve a copy of the Order Instituting Administrative Proceedings Pursuant to Section 203(e) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions ("Order"), on the Respondent and his legal agent.

The attached Order has been sent to the following parties and other persons entitled to notice:

Honorable Brenda P. Murray
Chief Administrative Law Judge
Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549-2557

C. Ian Anderson, Esq.
Miami Regional Office,
U.S. Securities & Exchange Commission
801 Brickell Ave, Suite 1800
Miami, FL 33131

F&S Asset Management Group, Inc.
c/o Michael I. Goldberg, Esq.
Akerman Senterfitt
Las Olas Centre II – Suite 1600
350 East Las Olas Boulevard
Fort Lauderdale, FL 33301

Michael I. Goldberg, Esq.
Akerman Senterfitt
Las Olas Centre II – Suite 1600
350 East Las Olas Boulevard
Fort Lauderdale, FL 33301
(Counsel and Receiver for F&S Asset Management Group, Inc.)