

GWG Releases Letter to Bondholders: Warns of Bankruptcy While Offering No Answers

Recovery Options for GWG L Bond Holders

NEW YORK, USA, February 17, 2022 /EINPresswire.com/ -- [MDF Law](#), a New York based securities and investment fraud law firm is releasing a February 14, 2022 letter to investors as part of its ongoing investigation into GWG L bond sales practice violations by financial advisors. The law firm also invites L bond investors to call attorneys Marc Fitapelli or Jeffrey Saxon at 800-767-8040 to determine if they are eligible to seek compensation for their investment in [GWG L bonds](#).

On February 14, 2022, GWG Holdings issued a letter to investors addressing its obligation to make payments to its L Bond holders. According to this letter, GWG stated that it was in the process of "evaluating restructuring alternatives." It provided no answers about when payments may resume. In January

2022, it defaulted on its obligation to pay investors approximately \$13.6 million in interest and principal under its L Bond program. After defaulting, GWG filed a Form 8-K with the SEC on January 18, 2022 to notify the SEC and investors that it hired bankruptcy attorneys.

Many investors in GWG L Bonds are retirees who were relying on GWG's income payments to support themselves. For these individuals, the loss of income associated with the announcement is devastating. Equally as devastating is the prospect that bond payments may not continue any time soon, if at all. Many investors faced with this grim news are pursuing [FINRA arbitrations](#) against the financial advisors that marketed GWG L Bonds, explains securities lawyer Marc Fitapelli. Mr. Fitapelli's law firm MDF Law is investigating wrongdoing by the financial professionals that marketed GWG bonds.

The financial advisors and other professionals who marketed GWG L Bonds may be liable to their customers for money damages, explains attorney Fitapelli. Cases involving a financial advisor's wrongdoing are normally heard through binding arbitration before the Financial



Marc Fitapelli, MDF Law



Investors in GWG L Bonds may be able to recover their principal, interest and attorney's fees through individual FINRA arbitrations."

Marc Fitapelli, Esq.

Industry Regulatory Authority, or FINRA. When a client opens an account with a brokerage firm or financial advisor, they usually agree to arbitrate all disputes before FINRA, who operates one of the largest alternative dispute resolution programs in the country.

MDF Law invites investors in L Bonds to contact its office. If you or someone you know invested, you may be able to qualify to file an arbitration seeking recovery if you can answer YES to any of the following questions:

- You are 65 years or older;
- You have a conservative or moderate risk tolerance;
- You invested \$100,000 or more;
- You did not fully understand the risks of GWG L bonds;

If you answered YES to any of the foregoing questions, you may be able to seek financial compensation. Contact MDF Law at (800) 767-8040 to speak with an attorney. The call is free and the law firm is paid nothing if they do not recover money on investor's behalf. MDF Law is a New York City based law firm that exclusively represents investors in FINRA arbitration matters. The firm's attorneys have decades of legal experience and have helped investors recover hundreds of millions of dollars.

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