

# Attorneys Announce Lawsuit Against Coastal Equities over GWG L Bond Sales

*Complaint Alleges that Coastal Equities was Negligent in Conducting Due Diligence of GWG Holdings*

NEW YORK , NEW YORK, USA, June 2, 2022 /EINPresswire.com/ -- MDF Law announces the filing of a lawsuit against Coastal Equities, Inc. concerning the marketing of GWG L Bonds, an investment offered through [GWG Holdings](#), Inc. The lawsuit was commenced by filing an arbitration complaint with the Financial Industry Regulatory Authority, or [FINRA](#). The case number is 22-01116 and it was filed in Pheonix, Arizona. Coastal Equities, Inc. is a Massachusetts based broker-dealer licensed with FINRA.

In January 2022, GWG stopped making interest payments and redemptions to all of its L Bond holders. On April 20, 2022, GWG Holdings filed for [bankruptcy](#). The

bankruptcy filing and GWG's financial problems came as a surprise to many investors, but the problems with GWG began years earlier. In October 2020, it was served with a subpoena requesting documents and information from the Securities and Exchange Commission. GWG

did not disclose the SEC's subpoena to investors until November 2021. Many retail investors invested in GWG not knowing the company was under investigation by the SEC.

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Contact me to learn why so many investors decided to trust our law firm to handle their GWG L bond case.”

*Marc D. Fitapelli, Esq.*

GWG Holdings marketed L Bonds to retail investors nationwide. The investment was sold to elderly people, retirees and others who were seeking a conservative

investment. The FINRA complaint against Coastal Equities alleges that the broker-dealer was negligent in approving GWG L Bonds for sale. Brokerage firms like Coastal Equities are legally



Marc D. Fitapelli, Esq.

required to undertake independent due diligence of investments like GWG L Bonds. We believe ordinary due diligence would have uncovered serious and material issues with this investment. These issues include, for example, GWG Holding's overly complex and suspicious business operation as well as its inability to generate profits. Given these issues, it should not surprise investors that less than 1% of all broker-dealers nationwide approved GWG L Bonds for sale. We believe no reasonable broker-dealer should have ever approved this investment for sale to any investor.

Before GWG filed for bankruptcy, attorney Marc Fitapelli prepared a 15-minute video discussing this case. There is a link to the video below as well as his power-point presentation. It can also be accessed here: [www.GWGCase.com](http://www.GWGCase.com). If you have questions about either presentation, please feel free to call Marc Fitapelli on his

direct line at (212) 658-1501. Both he and his partner, Jeffrey Saxon, are interested in speaking to investors who purchased L Bonds through Coastal Equities or any other broker-dealer. We are particularly interested in speaking to individuals who invested in other illiquid investments, including non-traded REITs, limited liability companies or other "bond" programs.

Our attorneys exclusively represent investors in FINRA arbitrations. We have handled hundreds of individual FINRA arbitrations. Our law firm currently represents dozens of individual GWG L Bond holders in arbitration cases throughout the country. Please call 800-767-8040 and ask to speak with attorneys Marc Fitapelli or Jeffrey Saxon. Learn why so many L Bond holders decided to trust MDF Law with their case.

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