GWG Holdings, Inc.
Form 424B1
February 14, 2017

Filed pursuant to Rule 424(b)(1)

Registration No. 333-214896

GWG HOLDINGS, INC.

Maximum of 150,000 Shares of Series 2 Redeemable Preferred Stock

We are offering a maximum of 150,000 shares of our Series 2 Redeemable Preferred Stock, par value $.001 per share. Each share of Series 2 Redeemable Preferred Stock will have an initial stated value of $1,000 per share, which is the price at which the Series 2 Redeemable Preferred Stock will be publicly offered and sold. The Series 2 Redeemable Preferred Stock will not be certificated. The Series 2 Redeemable Preferred Stock ranks senior to our common stock with respect to payment of dividends and distribution of amounts upon our liquidation, dissolution or winding up, and pari passu with the rights of our Redeemable Preferred Stock and our Series A Convertible Preferred Stock. Holders of our Series 2 Redeemable Preferred Stock will have no voting rights.

Each share of Series 2 Redeemable Preferred Stock has an initial stated value of $1,000 per share, and may be partially converted into our common stock at a conversion price equal to the volume-weighted average price of our common stock for the 20 trading days prior to the date of conversion (discounted, based on the number of years your preferred stock has been held, as described below), subject, however, to a minimum conversion price of $12.75 per common share, and a maximum of 10% of the stated value of the preferred shares being convertible (i.e., a maximum of approximately 7.84 common shares for each share of converted preferred stock), subject to equitable adjustment. Our common stock trades on The NASDAQ Capital Market under the symbol "GWGH." Our Series 2 Redeemable Preferred Stock, however, does not trade on any national securities exchange or over-the-counter market.

We are an "emerging growth company" under applicable law and are subject to reduced public company reporting requirements. Please read the disclosures on page 9 of this prospectus for more information. Investing in our securities involves a high degree of risk, including the risk of losing your entire investment. You should carefully read and consider "Risk Factors" included in our most recent Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q, and those on page 15 of this prospectus and in any applicable prospectus supplement before investing in our securities.

Please read this prospectus before investing and keep it for future reference. We file annual, quarterly and current reports with the SEC. This information will be available free of charge by contacting us at 220 South Sixth Street, Suite 1200, Minneapolis, Minnesota 55402 or by phone at (612) 746-1944 or on our website at www.gwgh.com. The SEC also maintains a website at www.sec.gov that contains such information.

Neither the SEC nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Share	Maximum Offering
Public offering price	$ 1,000	$ 150,000,000

Selling commissions(1)(3)	$	60	$	9,000,000
Additional compensation(2)(3)	$	20	$	3,000,000
Proceeds, before expenses, to us	$	920	$	138,000,000

(1) Selling commissions will equal 6.00% of aggregate gross proceeds, and be payable to each soliciting broker-dealer authorized by us and Emerson Equity LLC, the managing broker-dealer or "dealer manager" for this offering.

(2) Additional compensation consists of (i) a non-accountable expense allowance of up to 0.60% of gross offering proceeds, (ii) an accountable expense allowance of up to 0.40% of gross offering proceeds, (iii) a dealer manager fee (payable only to the dealer manager) of 0.40% of gross offering proceeds for managing and coordinating the offering, (iv) a wholesaling fee (payable only to the wholesalers, who are employees of the Company and associated with the dealer manager) of 0.50% of gross offering proceeds, and (v) non-cash compensation of up to 0.10% of gross offering proceeds. Aggregate additional compensation will not exceed 2.00% of gross offering proceeds. The dealer manager may reallow up to 0.60% of additional compensation to other soliciting broker-dealers. The amount of the reallowance to any soliciting broker-dealer will be determined by the dealer manager in its sole discretion.

(3) The combined selling commissions and additional compensation for this offering will not exceed 8.00% of the aggregate gross proceeds of this offering.

The dealer manager for this offering is Emerson Equity LLC. The dealer manager is not required to sell any specific number or dollar amount of securities, but will use its "best efforts" to sell the securities offered. The minimum permitted purchase is generally $10,000, but we may accept purchases of less than $10,000 in our discretion. We may terminate this offering at any time or may offer Series 2 Redeemable Preferred Stock pursuant to a new registration statement.

We will sell Series 2 Redeemable Preferred Stock through Depository Trust Company, or "DTC," settlement. We will also sell Series 2 Redeemable Preferred Stock through direct settlement with the Company. See "How to Purchase Shares" and "Plan of Distribution" for a description of this settlement method.

EMERSON EQUITY LLC

as Dealer Manager

The date of this prospectus is February 14, 2017

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GWG Holdings, Inc.
220 South Sixth Street, Suite 1200
Minneapolis, MN 55402
Tel: (612) 746-1944
Fax: (612) 746-0445

ABOUT THIS PROSPECTUS

We have prepared this prospectus as part of a registration statement that we filed with the SEC for our offering of Series 2 Redeemable Preferred Stock. The registration statement we filed with the SEC includes exhibits that provide more detailed descriptions of the matters discussed in this prospectus and certain information that is incorporated by reference. You should read this prospectus, the related exhibits filed with the SEC, together with additional information described below under “Where You Can Find More Information,” and the documents that are incorporated, or deemed to be incorporated, by reference into this prospectus. This prospectus contains summaries of certain other documents, which summaries contain all material terms of the relevant documents and are believed to be accurate, but reference is hereby made to the full text of the actual documents for complete information concerning the rights and obligations of the parties thereto. Such information necessarily incorporates significant assumptions, as well as factual matters. All documents relating to this offering and related documents and agreements, if readily available to us, will be made available to a prospective investor or its representatives upon request.

You should rely only on the information contained in this prospectus. Neither we nor the dealer manager have authorized any other person to provide you with any information different from that contained in this prospectus or information furnished by us upon request as described herein. The information contained in this prospectus is complete and accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or sale of our shares. In this prospectus, we use the term “day” to refer to a calendar day, and we use the term “business day” to refer to any day other than Saturday, Sunday, a legal holiday or a day on which banks in New York City are authorized or required to close.

No information contained herein, nor in any prior, contemporaneous or subsequent communication should be construed by a prospective investor as legal or tax advice. Each prospective investor should consult its, his or her own legal, tax and financial advisors to ascertain the merits and risks of the transactions described herein prior to purchasing the Series 2 Redeemable Preferred Stock. This written communication is not intended to be “written advice,” as defined in Circular 230 published by the U.S. Treasury Department.

INDUSTRY AND MARKET DATA

The industry and market data used throughout this prospectus have been obtained from our own research, surveys or studies conducted by third parties and industry or general publications. Industry publications and surveys generally state that they have obtained information from sources believed to be reliable, but do not guarantee the accuracy and completeness of such information. We believe that each of these studies and publications is reliable.

HOW TO PURCHASE SHARES

If, after carefully reading this entire prospectus, obtaining any other information requested and available, and being fully satisfied with the results of pre-investment due-diligence activities, you would like to purchase the Series 2 Redeemable Preferred Stock offered hereby, you may purchase the shares through DTC (Depository Trust Company) settlement or direct settlement with the Company.

For DTC settlement, your broker-dealer must be a participant in the DTC system. In such a case, you can place an order for the purchase of shares through your broker-dealer. A broker-dealer using this service will have an account with DTC in which your funds will be placed to facilitate your purchase in this offering. Orders will be executed by your broker-dealer electronically and you must coordinate with your broker-dealer’s registered representative to pay the full purchase price for the shares by the settlement date. Orders may be placed at any time, and the settlement date will be the date on which your purchase is accepted and consummated. You will be credited with ownership of the shares on the settlement date. Your purchase price for the shares purchased in this way will not be held in escrow.

When settling a purchase directly with the Company, you will send your completed and executed Subscription Agreement, together with your subscription amount, to the address listed below. Your subscription amount should be paid through a certified check or personal check payable to the order of "GWG Holdings, Inc. — Subscription Account." In lieu of paying by check, you may wire your subscription amount to the account referenced below.

Securities Transfer Corp.
2901 N. Dallas Parkway, Suite 380
Plano, TX 75093

Wire Instructions
Securities Transfer Corp. as Agent
for GWG Holdings, Inc.
Account: 4037176
Routing: 111924392
Bank Name: First National Bank
Southwest

Your broker-dealer or professional will gather and send in the required information on your behalf, and may facilitate your payment of the subscription amount. Once we have received your subscription amount and required documentation, we will either reject or accept your subscription. Once accepted, we will have immediate access to your subscription amount and we will issue you, in book-entry form, the Series 2 Redeemable Preferred Stock you have purchased.

COVERED SECURITY

Our Series 2 Redeemable Preferred Stock is a "covered security." The term "covered security" applies to securities exempt from state registration pursuant to Section 18 of the Securities Act of 1933. Generally, securities listed on national exchanges are the most common type of covered security exempt from state registration. A non-traded security also can be a covered security if it has a seniority greater than or equal to other securities from the same issuer that are listed on a national exchange. Our Series 2 Redeemable Preferred Stock is a covered security because it will be senior to our common stock, which is listed on The NASDAQ Capital Market, and therefore our offering of this preferred stock is exempt from state registration.

FREQUENTLY ASKED QUESTIONS ABOUT THIS OFFERING

What is this offering?

GWG Holdings, Inc. is offering to sell 150,000 shares of Series 2 Redeemable Preferred Stock. This preferred stock will pay a 7.0% per annum cumulative dividend, and will be callable at our discretion, in whole or in part, at any time and from time to time. In addition, investors may request redemption of this preferred stock once per calendar quarter, subject, however, to our ultimate discretion as to whether to honor such a request, and further subject to an applicable redemption fee. In addition, investors may themselves elect to convert some of their preferred shares into our common stock.

Are there minimum purchase requirements for this offering?

The shares will sell for $1,000 per share. The minimum purchase is 10 shares and there is no maximum purchase. There is no aggregate minimum number of shares of Series 2 Redeemable Preferred Stock that must be subscribed for, or related proceeds that must be received, before we can accept subscriptions and access investor funds.

What do you mean by "preferred stock?"

Preferred stock means that, in the event of the liquidation of our Company, the holder of this stock will receive preferential treatment as compared to holders of certain other stock or equity in the Company. In this case, the holders of this preferred stock would receive payment of accrued and declared but unpaid dividends, plus the stated value of their preferred stock (i.e., the original purchase price), before the holders of junior equity, such as our common stock. This preferred stock will also entitle its holders to preferred dividends, meaning that dividends on this stock must be paid prior to dividend payments being made to holders of junior equity, such as our common stock. This preferred stock does not, however, have any voting rights. Our Company has earlier issued other series of preferred stock denominated "Redeemable Preferred Stock" and "Series A Convertible Preferred Stock," and with respect to both liquidation and dividend-payment rights, the Series 2 Redeemable Preferred Stock offered hereby will be pari passu with that earlier issued Redeemable Preferred Stock and Series A Convertible Preferred Stock.

Will I be able to receive any of my dividend payments in the form of additional shares of preferred stock?

Yes, however, we (the Company) will decide whether to issue dividends in the form of cash or additional shares of preferred stock. We do not anticipate that purchasers of the Series 2 Redeemable Preferred Stock will be able to express any preference in this regard, or affect any decision on our part to pay dividends in cash or in stock.

Are the dividends paid on this stock taxable?

Yes, the dividends you receive on the preferred stock are taxable in the period in which you receive the dividends. We believe that dividends paid on this stock may be eligible for taxation as "qualified dividend income," which means a tax rate of 15–20% may apply to this income depending on the ordinary income marginal tax bracket in which an investor is taxed. Investors will receive an IRS form 1099-DIV for the tax year in which a dividend is paid. Investors should consult with their own tax advisor regarding tax consequences.

Is my investment guaranteed?

No. As with almost any investment, there is a risk of loss. Before you invest in our Series 2 Redeemable Preferred Stock you should read the entire prospectus and understand the risks associated with this investment. In particular, you should carefully read the "Risk Factors" section of this prospectus together with the risk disclosures incorporated into this prospectus by reference. We encourage you to review all of our disclosures about this offering and to ask questions of us and consult with your advisors about any questions you may have regarding this offering.

Can I resell or transfer my shares after they have been purchased?

Yes. It will be legally possible to sell or transfer the shares you purchase in this offering since these securities are being offered and sold pursuant to a registration statement and will not therefore be “restricted” under applicable law. We do not, however, expect a public trading market to develop for the Series 2 Redeemable Preferred Stock in the

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foreseeable future, if ever. If you wish to transfer your preferred shares held in book-entry form, you should contact us. If you wish to transfer your preferred shares held through DTC, you should contact your broker-dealer.

Will it be possible, at some point, to redeem the preferred shares for cash?

You will be entitled once per calendar quarter to request redemption of your preferred stock at a redemption price equal to the stated value of such redeemed shares, plus any accrued but unpaid dividends thereon. In some cases, however, a redemption fee may apply. After the third anniversary of the issuance of the preferred shares, no redemption fee will apply.

You should understand that we will not be obligated to redeem your preferred shares upon request. Even if we accept your redemption request, our obligation to consummate a redemption will be limited to the extent that we have sufficient funds available to fund any such redemption, which is a determination we will make in our sole and complete discretion. Our obligation to consummate a redemption we have earlier agreed to make will be further limited by applicable law, any restrictions in our Certificate of Incorporation, and any borrowing agreements to which we or our subsidiaries are a party or are otherwise bound. To the extent we are unable to complete redemptions we may have earlier agreed to make, we will consummate those redemptions promptly after we become able to do so, with all such deferred redemptions being satisfied on a prorated basis, regardless of the order in which we received the related requests. See "Description of Securities Offered." See also "Risk Factors — You may not be able to redeem your preferred shares when and as you wish."

If I have an emergency, can I get any of my money when I need it?

Preferred stock is an equity investment and we are not obligated to redeem your shares unless and until we call the stock for redemption (please see the discussion immediately above for more detail). You should take this into account before you purchase our preferred stock. You should not count on us redeeming any stock if you have an emergency need for the money. There are, however, certain circumstances — such as upon your death, bankruptcy or total disability—where we will, if legally possible, redeem your shares upon your request. These circumstances are discussed immediately below.

If I die, will you repurchase my preferred stock?

Not automatically. The legal representative of your estate will, however, have the right to request that we redeem your preferred shares. If we receive adequate documentation evidencing your death, we will honor this kind of repurchase request without any penalty if we are permitted by applicable law, our Certificate of Incorporation, and our borrowing agreements to do so. In the absence of a repurchase request by your estate, your preferred stock will go to your estate for distribution according to your will or the applicable laws of intestacy, and be paid out when called by us or through your estate's exercise of a redemption request. The Certificate of Designation for our Series 2 Redeemable Preferred Stock, which governs the rights, preferences and privileges of the preferred shares, contains similar rights to request redemption in the event of a bankruptcy or your total disability. Please see "Description of Securities Offered" for important details about these rights.

Will I receive a stock certificate?

No. Stock certificates will not be issued. Your ownership will be noted as Series 2 Redeemable Preferred Stock in our stock register.

What if I need proof of ownership of my investment in GWG?

At your request, we will confirm in writing your investment in our Series 2 Redeemable Preferred Stock.

Can I convert some of my preferred stock into shares of common stock?

Yes. Holders of this preferred stock may partially convert the preferred stock into common stock. When this is done, the conversion price at which common shares are issued will equal the volume-weighted average price of our common stock for the 20 trading days immediately prior to the date on which your notice of conversion is delivered to us (discounted, based on the number of years the preferred stock has been held, as described below), but subject to a minimum conversion price of $12.75 per common share. Nevertheless, a holder's right to convert is limited to a maximum of 10% of the stated value of their preferred shares (i.e., approximately 7.84 shares of common stock for each share of preferred stock converted). In such a case, the remaining unconverted portion of your preferred stock will remain as a fractional share of Series 2 Redeemable Preferred Stock.

Your right to convert preferred shares into common shares will be suspended in the event that we call your preferred shares for redemption. For more information, please see "Description of Securities Offered."

Could my subscription be refused?

Yes. Your subscription must be approved by us. We have the right to reject any subscription for any reason.

Who might benefit from an investment in our Company?

An investment in our Company and our preferred stock may be beneficial for you if seek to add to your personal portfolio an investment focused in our industry or that is otherwise not correlated to the financial markets, and are able to hold your investment indefinitely. Our preferred stock will not be an appropriate investment for persons who need or may need immediate liquidity.

How long will this offering last?

The offering is a continuous offering. Under SEC rules, the offering under this registration statement will expire after three years from the date of its effectiveness. We may, however, conduct similar or identical offerings during this same time or afterwards. We may also decide to terminate this offering at any time.

Will I be notified of how my investment is doing?

We will provide you with periodic updates on our performance through periodic filings we make with the SEC. Such filings will include: (i) three quarterly financial reports; (ii) one annual report; (iii) supplements and amendments to this offering, as appropriate; and (iv) such other reports as required under Sections 13 and 15(d) of the Securities Exchange Act of 1934. Such information is also available on our corporate website at www.gwgh.com.

Who can help answer my questions about the offering?

If you have more questions about the offering, you should contact a registered representative of your broker-dealer or other investment professional, or else contact:

GWG Holdings, Inc.
220 South Sixth Street, Suite 1200
Minneapolis, MN 55402
(612) 746-1944

PROSPECTUS SUMMARY

This summary highlights some of the information in this prospectus. It is not complete and may not contain all of the information that you may want to consider. To understand this offering fully, you should carefully read the entire prospectus, including the section entitled “Risk Factors,” and the documents that are incorporated, or deemed to be incorporated, by reference into this prospectus, before making a decision to invest in our preferred stock. Unless otherwise noted or unless the context otherwise requires, the terms “we,” “us,” “our,” the “Company” and “GWG” refer to GW Holdings, Inc. together with its wholly owned direct or indirect subsidiaries. In instances where we refer specifically to “GWG Holdings” or “GWG Holdings, Inc.,” or where we refer to a specific subsidiary of ours by name, we are referring only to that specific legal entity.

Our Company

We are a financial services company committed to finding new ways of disrupting and transforming the life insurance and related industries through innovative products and services, business processes, financing strategies, and advanced epigenetic technology. Historically, we have focused on creating opportunities for consumers to maximize the value of their life insurance as compared to the traditional options offered by the insurance industry. As part of our business, we create opportunities for investors to receive income and capital appreciation from our various activities in the life insurance and related industries. More recently, we have focused on applying new technology to our products and services that promises to be more predictive and offer even greater opportunity in the life insurance and related industries.

The life insurance industry provides us with the opportunity to bring value to consumers and earn non-correlated yield by purchasing life insurance policies at a discount to the face value of the policy benefit. We pay the premiums of the policies that we purchase and collect the policy benefit upon maturity. In sum, we seek to earn a net profit between the yield generated by the life insurance assets we own and the costs we incur to originate and finance those assets. This practice is disruptive to the life insurance industry since insurance carriers rely on consumer lapse and surrender behavior resulting in the forfeiture of policy benefits. Since inception, we have purchased approximately $2.2 billion in face value of policy benefits from consumers for over $379.7 million, as compared to the $26.1 million in surrender value offered by insurance carriers on those same policies. Our business allows consumers to maximize their investment in life insurance for their retirement or other financial needs.

We believe the market potential for the secondary life insurance market is large. According to the 2016 American Council of Life Insurers Fact Book (ACLI), in 2015 individuals owned over $12.3 trillion in face value of life insurance policies in the United States. This figure includes all types of policies, including term insurance and permanent insurance known as whole life and universal life. The ACLI reports that in 2015, the lapse and surrender rate of individual life insurance policies was 5.4%, aggregating to a face value of $638.5 billion in surrendered benefits. Research by Conning Research & Consulting (Conning) reports that in 2016 the annual net potential for the secondary life insurance market exceeded $141 billion in benefits. Of that market potential, Conning estimates that, in 2015, secondary market investors purchased approximately $1.7 billion in face value of life insurance benefits. With an aging demographic in need of retirement assets and related financial services, Conning expects the net market potential to grow to an annual $170 billion in face value of life insurance benefits by 2025. We believe that the life insurance secondary market represents both a dramatically underserved market and significant long-term growth opportunity.

A critical factor for our success in bringing value to consumers and creating opportunities for investors to earn yield from our life insurance assets, is our ability to accurately estimate human life expectancy. Our search for increased precision in estimating life expectancy led us to a mortality predictive technology developed by Dr. Steve Horvath, a Professor of Human Genetics and Biostatistics at the University of California, Los Angeles (UCLA). In 2016, we exercised an exclusive option to license Dr. Horvath’s “DNA Methylation Based Predictor of Mortality” technology, or “M-Panel” technology, which tests certain metabolic processes occurring at the molecular level that are referred to as "methylation." We believe M-Panel technology could improve our ability to more precisely predict human life expectancy. We are currently in the process of negotiating a license agreement and assessing the intellectual property protection we may receive as a result of such a license.

Our M-Panel technology is based upon a revolutionary new science known as "epigenetics" that reads and measures changing methylation levels occurring in human cells at molecular scale. The amount of methylation change that occurs in a human cell is a result of lifestyle, environment, diet, and other factors typically associated with human lifespan. We believe our M-Panel and similar technology may not only improve the way in which we select and price life insurance policies for purchase in the secondary market, but it could also revolutionize the manner in which the entire life insurance industry prices and selects mortality risk. As a result, we intend to use M-Panel and other technology to improve our life insurance secondary market business as well as to pursue additional lines of business in the life insurance industry. According to industry experts, advancements in life expectancy technology have the potential to upend the ability of insurers to assess and select risks. Industry consultants KPMG, Accenture, and Ernst & Young all take the position that the insurance industry will undergo transformational change as advanced technologies affect their businesses. We believe that increased precision in predicting life expectancy through the use of our M-Panel technology, and our broader commitment to innovating through the use of new technologies in an "insurtech" approach, will provide us with a significant competitive advantage in the secondary market. Furthermore, while we are still refining the precise strategies through which we may pursue specific opportunities, we believe that our use of technology may offer us opportunities to innovate and transform historical business methods used throughout the broader insurance, long-term care and annuity industries.

We believe that we are uniquely positioned to continue acquiring life insurance assets from consumers in the secondary market, while developing additional innovative business models in the life insurance and related industries through the use of M-Panel technology. We expect to continue to finance our growth by providing investors with the opportunity to participate in the yield from the life insurance assets we own and growth opportunities we create.

To participate and compete in, and expand, our markets, we spend significant resources: (i) recruiting and developing a professional management team; (ii) establishing strategic relationships for delivering the services we provide; (iii) creating opportunities for investors to participate in the yield and capital appreciation that may be generated by the alternative life insurance assets and technology we own; (iv) creating innovative growth opportunities to participate in the life insurance industry through the use of technology; and (v) developing a robust operational platform and systems for originating life insurance policies and other alternative assets.

Portfolio Information

Our portfolio of life insurance policies owned by our subsidiaries as of September 30, 2016 is summarized below:

Total portfolio face value of contract benefits	$ 1,272,078,000	
Average face value per contract	$ 2,035,000	
Average face value per insured life	$ 2,263,000	
Weighted average age of insured (yrs.)*	81.8	
Weighted average life expectancy estimate (yrs.)*	6.8	
Total number of contracts	625	
Number of unique lives	562	
Demographics	73% Males; 27% Females	
Number of smokers	24	
Largest contract as % of total portfolio	0.79	%
Average contract as % of total portfolio	0.16	%
Average annual premium as % of face value	3.33	%

* averages presented in the table are weighted averages.

Corporate Organization

Our business was originally organized in February 2006. We added our current parent holding company, GWG Holdings Inc., in March 2008, and in September 2014 we consummated an initial public offering of our common stock on The NASDAQ Capital Market, where our stock trades under the ticker symbol "GWGH."

GWG Holdings, Inc. (GWG Holdings) conducts its life insurance related business through a wholly owned subsidiary, GWG Life, LLC (GWG Life), and GWG Life's wholly owned subsidiaries, GWG Life Trust, GWG DLP Funding III, LLC, and GWG DLP Funding IV, LLC. All of these entities are legally organized in Delaware, other than GWG Life Trust which is governed by the laws of State of Utah.

Our principal executive offices are located at 220 South Sixth Street, Suite 1200, Minneapolis, Minnesota 55402 and our telephone number at that address is (612) 746-1944. Our website address is www.gwgh.com. The information on or accessible through our website is not part of this prospectus. Our corporate structure, including our principal subsidiaries, is depicted below.

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"Emerging Growth Company" Status

As a public reporting company with less than $1 billion in revenue during our last fiscal year, we qualify as an "emerging growth company" under the Jumpstart our Business Startups Act of 2012, or the JOBS Act. An emerging growth company may take advantage of certain reduced reporting requirements and is relieved of certain other requirements otherwise generally applicable to public companies. In particular, as an emerging growth company we:

- are not required to obtain an attestation and report from our auditors on our management's assessment of our internal control over financial reporting under the Sarbanes-Oxley Act of 2002;

- are not required to provide a detailed narrative disclosure discussing our compensation principles and objectives and analyzing how our compensation elements fit with our principles and objectives (commonly referred to as "compensation discussion and analysis");

- are not required to obtain a non-binding advisory vote from our stockholders on executive compensation or golden parachute arrangements (commonly referred to as the "say-on-pay," "say-on-frequency" and "say-on-golden-parachute" votes);

- are exempt from certain executive compensation disclosure provisions requiring a pay-for-performance graph and CEO pay ratio disclosure;

- may present only two years of audited financial statements and only two years of related Management's Discussion & Analysis of Financial Condition and Results of Operations, or MD&A; and

- are eligible to claim longer phase-in periods for the adoption of new or revised financial accounting standards under §107 of the JOBS Act.

We intend to take advantage of all of these reduced reporting requirements and exemptions, including the longer phase-in periods for the adoption of new or revised financial accounting standards. Our election to use the phase-in periods is irrevocable and may make it difficult to compare our financial statements to companies that are either ineligible for, or have opted out of, the longer phase-in periods.

Under the JOBS Act, we may take advantage of the above-described reduced reporting requirements and exemptions for up to five years after our initial sale of common equity pursuant to a registration statement declared effective under the Securities Act of 1933 (which occurred in September 2014), or such earlier time that we no longer meet the definition of an emerging growth company. In this regard, the JOBS Act provides that we would cease to be an "emerging growth company" if we have more than $1 billion in annual revenues, have more than $700 million in market value of our common stock held by non-affiliates, or issue more than $1 billion in principal amount of non-convertible debt over a three-year period.

It should be noted that certain reduced reporting requirements and exemptions were already available to us due to the fact that we also qualify as a "smaller reporting company" under SEC rules, and our claim to those reduced reporting requirements and exemptions will not be affected by the loss of our status as an "emerging growth company." In this regard, we will continue to qualify as a "smaller reporting company" for so long as we have a public float (i.e., the market value of common equity held by non-affiliates) of less than $75 million as of the last business day of our most recently completed second fiscal quarter.

The Offering

Issuer	GWG Holdings, Inc.
Method of Purchase	Investors may pay cash or exchange our outstanding debt securities in satisfaction of the aggregate purchase price for the Series 2 Redeemable Preferred Stock.
Minimum Investment	The minimum investment amount is generally $10,000, but we may accept purchases of less than $10,000 in our discretion.
Offering Price	$1,000 per share of Series 2 Redeemable Preferred Stock.
Series 2 Redeemable Preferred Stock	A maximum of 150,000 shares of Series 2 Redeemable Preferred Stock is being offered on a continuous basis. Ranking. The Series 2 Redeemable Preferred Stock ranks senior to our common stock, pari passu with our Series A Convertible Preferred Stock and our earlier issued Redeemable Preferred Stock, and senior to or pari passu with all other classes and series of our preferred stock, with respect to the payment of dividends and rights upon liquidation, dissolution or winding up. "Pari passu" means that in determining priority of payment in respect of entitlement to dividends and distributions upon our liquidation, winding-up or dissolution, the holders of this preferred stock, together with the holders of any other class of "pari passu" equity, will be treated equally and without preference. Stated Value. Each share of Series 2 Redeemable Preferred Stock will have an initial "stated value" of $1,000, subject to appropriate adjustment upon certain events such as recapitalizations, stock dividends, stock splits, stock combinations, and reclassifications, as set forth in the Certificate of Designation for the Series 2 Redeemable Preferred Stock. Dividends. Holders of Series 2 Redeemable Preferred Stock are entitled to receive, when and as declared by our Board of Directors out of legally available funds, cumulative cash dividends on each share of Redeemable Preferred Stock at an annual rate of 7.0% of the stated value of such share. Dividends are payable monthly. Dividends on each preferred share will begin accruing on, and will be cumulative from, the date of issuance and regardless of whether our Board of Directors declares and pays such dividends. In the event that our Certificate of Incorporation, provisions of Delaware law or our borrowing agreements prohibit us from paying dividends in cash, and if we do not pay dividends in the form of preferred stock as described below, unpaid dividends will cumulate. At our option, we may pay dividends in the form of duly authorized, validly issued, fully paid and non-assessable shares of the Series 2 Redeemable Preferred Stock. Any preferred stock we issue in satisfaction of our dividend-payment obligations will be valued at the stated value of such shares.

No commissions or additional compensation will be payable on preferred shares issued in satisfaction of our dividend-payment obligations.

Voting Rights. The Series 2 Redeemable Preferred Stock has no voting rights.

Redemption Request at the Option of a Holder. Once per calendar quarter, a holder will have the opportunity to request that we redeem that holder's Series 2 Redeemable Preferred Stock. We will not be obligated to redeem preferred shares upon request. If we do agree to redeem shares, we will do so at a redemption price equal to the stated value of such redeemed shares, plus any accrued but unpaid dividends thereon, less the applicable redemption fee (if any). As a percentage of the aggregate redemption price of a holder's shares to be redeemed, the redemption fee shall be:

• 12% if the redemption is requested on or before the first anniversary of the original issuance of such shares.

• 10% if the redemption is requested after the first anniversary and on or before the second anniversary of the original issuance of such shares.

• 8% if the redemption is requested after the second anniversary and on or before the third anniversary of the original issuance of such shares.

After the third anniversary of the date of original issuance of shares to be redeemed, no redemption fee shall be subtracted from the redemption price.

Optional Repurchase Upon Death, Disability or Bankruptcy of a Holder. Subject to certain restrictions and conditions, we will also redeem the preferred shares of a holder who is a natural person (including an individual beneficial holder who holds our preferred shares through a custodian or nominee, such as a broker-dealer) upon his or her death, total disability or bankruptcy, within 60 days of our receipt of a written request from the holder or the holder's estate at a redemption price equal to the stated value, plus accrued and unpaid dividends thereon.

A "total disability" means a determination by a physician approved by us that a holder, who was gainfully employed and working on a full-time basis as of the date on which his or her preferred shares were purchased, has been unable to work on a full-time basis for at least 24 consecutive months. In this regard, the Certificate of Designation for the Series 2 Redeemable Preferred Stock defines working "on a full-time basis" to mean working at least 40 hours per week.

Optional Redemption by the Company. We will have the right (but not the obligation) to call and redeem shares of the Series 2 Redeemable Preferred Stock at 100% of their stated value, plus any accrued but unpaid dividends thereon. In the event that we call and redeem an investor's preferred shares prior to the one-year anniversary of the purchase of those shares, we will also pay an additional amount sufficient to cause the investor to have received at least one year's worth of dividends on the preferred shares being redeemed (i.e., a minimum redemption price of 107% of the stated value of the redeemed preferred shares).

Restrictions on Redemption and Repurchase. We will not be obligated in all cases to redeem these preferred shares, whether in connection with a redemption request by a holder to which we have earlier agreed, at the option of the Company, or upon the death, total disability or bankruptcy of a holder. In particular, we will not redeem or repurchase any preferred shares if we are restricted by applicable law or our Certificate of Incorporation from making such redemption or to the extent any such redemption would cause or constitute a default under any borrowing agreements to which we or any of our subsidiaries are a party or otherwise bound. In addition, we will have no obligation to redeem preferred shares in connection with a redemption request made by a holder if we determine, as of the redemption date, that we do not have sufficient funds available to fund that redemption. In this regard, we will have complete discretion under the Certificate of Designation for the Series 2 Redeemable Preferred Stock to determine whether we are in possession of “sufficient funds” to fund a redemption request. To the extent we are unable to complete redemptions we may have earlier agreed to make, we will complete those redemptions promptly after we become able to do so, with all such deferred redemptions being satisfied on a prorated basis, regardless of the order in which we received the related requests.

Conversion by a Holder. Subject to the limitations described below, holders of this preferred stock will have the option to partially convert their preferred stock into common stock at a conversion price equal to the volume-weighted average price of our common stock for the 20 trading days immediately prior to the date on which notice of conversion is delivered to us. This volume-weighted average price will be discounted, based on the number of years you have held your preferred stock (determined at the date on which you provide notice of conversion), as set forth below:

Years Held	Applicable Discount	
0-3	0	%
4 or less (but more than 3 years)	6	%
5 or less (but more than 4 years)	8	%
More than 5 years	10	%

Notwithstanding the foregoing, in no event will the conversion price be less than $12.75 per share of common stock. The right of holders to convert their preferred shares is limited to 10% of the stated value of their preferred shares (i.e., approximately 7.84 shares of common stock for each share of converted preferred stock), subject to customary equitable adjustment in cases of stock splits, stock dividends and recapitalizations. In the case of a conversion, the remaining unconverted portion of your preferred stock will remain as a fractional share of Series 2 Redeemable Preferred Stock.

In the event that we deliver a notice of proposed redemption of an investor's preferred shares (see the caption "Optional Redemption by the Company" above), the right of a holder to convert those shares into our common stock will be suspended until the redemption date. If, however, we do not consummate the redemption on the redemption date, then the suspension on the right to convert will terminate and holders will once again have the right to convert their preferred shares into our common stock.

Liquidation Preference. Upon any voluntary or involuntary liquidation, dissolution or winding-up of our affairs, and before any distribution or payment shall be made to holders of our common stock or any other class or series of capital stock ranking junior to our shares of Series 2 Redeemable Preferred Stock, the holders of these preferred shares will be entitled to be paid out of our assets legally available for distribution to our stockholders, after payment or provision for our debts and other liabilities, a liquidation preference equal to the stated value per share, plus accrued but unpaid dividends thereon.

Capital stock outstanding before this offering

As of February 7, 2017, there were:

- 2,654,246 shares of Series A Convertible Preferred Stock outstanding;
- 78,388 shares of Redeemable Preferred Stock outstanding; and

- 5,980,190 shares of common stock outstanding (this number excludes shares of common stock issuable upon the conversion of our outstanding Series A Convertible Preferred Stock, shares of common stock issuable upon the conversion of outstanding Redeemable Preferred Stock, the exercise of outstanding warrants and options, and shares of common stock reserved for future issuance under our 2013 Stock Incentive Plan).

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Capital stock outstanding after this offering	Assuming all 150,000 shares of Series 2 Redeemable Preferred Stock offered hereby are sold, after the conclusion of this offering we will have: • 2,654,246 shares of Series A Convertible Preferred Stock outstanding; • 78,388 shares of Redeemable Preferred Stock outstanding; • 150,000 shares of Series 2 Redeemable Preferred Stock outstanding; and • 5,980,190 shares of common stock outstanding (this number excludes shares of common stock issuable upon the conversion of our outstanding Series A Convertible Preferred Stock, shares of common stock issuable upon the conversion of outstanding Redeemable Preferred Stock and Series 2 Redeemable Preferred Stock, the exercise of outstanding warrants and options, and shares of common stock reserved for future issuance under our 2013 Stock Incentive Plan).
Use of Proceeds	If all the shares offered hereby are sold for cash, we would expect to receive up to approximately $137,635,000 of net proceeds from this offering after deducting estimated offering expenses, including selling commissions and additional compensation, and our own offering-related expenses. There is no aggregate minimum amount of preferred shares that must be sold before we access investor funds. We intend to use a majority of the net cash proceeds from this offering to acquire life insurance assets. We also intend to use net proceeds from this offering for certain other business expenditures, including without limitation, to make payments of premiums on life insurance policy assets we own, to repay principal and interest on debt as it becomes due, redeem shares of preferred stock, to make strategic acquisitions of other yield-bearing assets, to develop and commercialize certain technologies we may license, and for general working capital purposes. See "Use of Proceeds" for additional information.
No Market for Redeemable Preferred Stock; Transferability	There is no existing public trading market for the Series 2 Redeemable Preferred Stock and we do not anticipate that a secondary market for the stock will develop. We do not intend to apply for listing of this preferred stock on any securities exchange or for quotation of the preferred stock in any automated dealer quotation system or other over-the-counter market. Nevertheless, you will be able to freely transfer or pledge your preferred shares.
Tax Matters	Dividends received by individual holders of Series 2 Redeemable Preferred Stock will generally be subject to a tax rate of 15% to 20% if such dividends are treated as "qualified dividend income" for U.S. federal income tax purposes, depending on the ordinary income tax bracket of the individual holder. The treatment of dividends received as qualified dividends is limited under certain circumstances. Please see "Material Federal Income Tax Considerations."
Covered Security	

	Our Series 2 Redeemable Preferred Stock is a "covered security." The term "covered security" applies to securities exempt from state registration pursuant to Section 18 of the Securities Act of 1933. Generally, securities listed on national exchanges are the most common type of covered security exempt from state registration. A non-traded security also can be a covered security if it has a seniority greater than or equal to other securities from the same issuer that are listed on a national exchange. Our Series 2 Redeemable Preferred Stock is a covered security because it will be senior to our common stock, which is listed on The NASDAQ Capital Market, and therefore our offering of these preferred shares is exempt from state registration.
Risk Factors	An investment in the shares offered hereby involves significant risks, including the risk of losing your entire investment. For a summary of risks relating to this offering and our Company and business, please see "Risk Factors," page 15.

RISK RELATING TO FORWARD-LOOKING STATEMENTS

Certain matters discussed in this prospectus contain forward-looking statements. These forward-looking statements are subject to risks, uncertainties and assumptions about our operations and the investments we make, including, among other things, factors discussed under the heading "Risk Factors" in this prospectus and the following:

- changes in the secondary market for life insurance;
- changes resulting from the evolution of our business model and strategy with respect to the life insurance industry;
- our limited operating history;
- the valuation of assets reflected on our financial statements;
- the reliability of assumptions underlying our actuarial models, including our life expectancy estimates;
- our reliance on debt financing;
- risks relating to the validity and enforceability of the life insurance policies we purchase;
- risks relating to our ability to license and effectively apply technologies to improve and expand the scope of our business;
- our reliance on information provided and obtained by third parties;
- federal, state and FINRA regulatory matters;
- competition in the secondary market of life insurance;
- the relative illiquidity of life insurance policies;
- our ability to satisfy our debt obligations if we were to sell our entire portfolio of life insurance policies;
- life insurance company credit exposure;
- cost-of-insurance (premium) increases on our life insurance contracts;
- general economic outlook, including prevailing interest rates;
- performance of our investments in life insurance policies;
- financing requirements;
- litigation risks;
- restrictive covenants contained in borrowing agreements; and
- our ability to make cash distributions in satisfaction of dividend obligations and redemption requests.

Forward-looking statements can be identified by the use of words like "believes," "could," "possibly," "probably," "anticipates "estimates," "projects," "expects," "may," "will," "should," "seek," "intend," "plan," "expect," or "consider" or the negative of expressions or other variations, or by discussions of strategy that involves risks and uncertainties. All forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual transactions, results, performance or achievements to be materially different from any future transactions, results, performance or achievements expressed or implied by such forward-looking statements.

We base these forward-looking statements on current expectations and projections about future events and the information currently available to us. Although we believe that the assumptions for these forward-looking statements are reasonable, any of the assumptions could prove to be inaccurate. Consequently, no representation or warranty can be given that the estimates, opinions, or assumptions made in or referenced by this prospectus will prove to be accurate. Some of the risks, uncertainties and assumptions are identified in the discussion entitled "Risk Factors" in this prospectus. We caution you that the forward-looking statements in (or incorporated by reference into) this prospectus are only estimates and predictions, or statements or current intent. Actual results or outcomes, or actions that we ultimately undertake, could differ materially from those anticipated in the forward-looking statements due to risks, uncertainties or actual events differing from the assumptions underlying these statements.

RISK FACTORS

An investment in our securities involves a high degree of risk. Before purchasing the securities offered by this prospectus, you should carefully consider the risks, uncertainties and additional information (i) set forth in our most recent Annual Report on Form 10-K filed with the SEC on March 22, 2016, our Quarterly Reports on Form 10-Q filed on with the SEC on November 10, August 12, and May 13, 2016, Current Reports on Form 8-K filed with the SEC on April 28, August 16, August 19, September 19, November 8, 2016, and our definitive proxy statement filed with the SEC on March 4, 2016, all which are incorporated by reference into this prospectus, and (ii) contained herein or in any supplement to this prospectus. For a description of these reports and documents, and information about where you can find them, see "Where You Can Find More Information" and "Incorporation of Certain Documents By Reference." The risks and uncertainties in this prospectus and in the documents incorporated, or deemed to be incorporated, by reference into this prospectus are those that we currently believe may materially impact the Company. Additional risks not presently known or are currently deemed immaterial could also materially and adversely affect our financial condition, results of operations, business and prospects.

There is no public market for our Series 2 Redeemable Preferred Stock and we do not expect one to develop.

There is no public market for our Series 2 Redeemable Preferred Stock offered in this offering, and we currently have no plan to list this stock on a securities exchange or to include these shares for quotation on any automated quotation system or other over-the-counter market. If you are able to sell your preferred stock, you may only be able to sell them at a substantial discount from the price you paid. Therefore, you should purchase the preferred stock only as a long-term investment. Holders of these preferred shares may request that we redeem their shares, with the redemption price payable in cash. Nevertheless, we will have no obligation to redeem preferred shares upon a redemption request made by a holder. Even if we initially agree to redeem preferred shares upon request, we will not be required to consummate a redemption if we do not have sufficient funds available to fund that redemption and, in this regard, the Certificate of Designation for the Series 2 Redeemable Preferred Stock provides us with ultimate discretion to determine whether we are in possession of "sufficient funds" to fund a redemption request.

We will be required to terminate this offering if our common stock is no longer listed on The NASDAQ Capital Market or another national securities exchange.

Our Series 2 Redeemable Preferred Stock is a "covered security" and therefore is not subject to registration under the state securities (i.e., blue sky), regulations in the various states in which it may be sold due to its seniority to our common stock, which is listed on The NASDAQ Capital Market. If our common stock is no longer listed on The NASDAQ Capital Market or another national securities exchange, we will be required to register this offering in any state in which we subsequently offer the Series 2 Redeemable Preferred Stock. This would almost certainly require the termination of this offering and could result in our raising an amount of gross proceeds that is substantially less than the amount of the gross proceeds we expect to raise if the maximum offering is sold. This would reduce our ability to make additional investments and limit the diversification of our portfolio and meet the other business goals we seek with the proceeds of this offering.

There may not be a broad market for our common stock, which may cause our common stock to trade at a discount and make it difficult for you to sell the common stock into which your Series 2 Redeemable Preferred Stock is convertible.

Our common stock into which the Series 2 Redeemable Preferred Stock is partially convertible trades on The NASDAQ Capital Market under the symbol "GWGH." Listing on The NASDAQ Capital Market or another national securities exchange does not ensure an actual or active market for our common stock. Accordingly, an actual or active market for our common stock may not be maintained, the market for our common stock may not be liquid, the holders of our common stock may be unable to sell their shares of our common stock, and the prices that may be obtained in a sale of our common stock that your receive upon the conversion of your preferred shares may not reflect the underlying value of our assets and business.

You may not be able to redeem your preferred shares when and as you wish.

You will be entitled periodically to request redemption of all or a portion of your Series 2 Redeemable Preferred Stock. Nevertheless, there is no assurance that we will be able, or willing, to redeem those shares as you may request.

Even in a situation in which we initially agree to redeem your preferred shares, the Certificate of Designation for the Series 2 Redeemable Preferred Stock contains limitations on our ability to consummate a redemption of preferred shares in connection with a redemption request, and also provides us with discretion to decline those requests. For example, if either our Certificate of Incorporation or applicable law prohibits us from using funds to redeem your preferred shares when requested, we will not be under any obligation to redeem those shares. Similarly, if we or any of our subsidiaries are parties to (or otherwise bound by) an agreement under which we or they have borrowed money, and the consummation of a redemption request would trigger a breach of the borrowing agreement, then we will not be under any obligation to complete a redemption of those shares as requested. Finally, and importantly, the Certificate of Designation provides us with the right to decline to complete a redemption in connection with a request in the event we determine that we do not have sufficient funds to fund a redemption request. In this regard, the Certificate of Designation grants us, the Company, with the complete discretion to determine whether or not we have “sufficient funds” to fund a redemption.

All of these provisions discussed above are in the nature of restrictions and limitations on an investor’s ability to complete a redemption of his, her or its investment in our preferred shares, and none of these restrictions and limitations (or the determinations upon which they are based) will be within your control. These provisions together create the risk that you, if you invest in these preferred shares, may not be able to redeem your preferred stock when and as you wish. As such, we believe that a purchase of shares in this offering is suitable only for investors who will have no need for immediate liquidity in their investment.

We will be able to call your preferred shares for redemption under certain circumstances without your consent.

We will have the ability to call and redeem the outstanding shares of Series 2 Redeemable Preferred Stock at any time and from time to time, in whole or in part. We can exercise this right without your consent. If we exercise this right, upon our redemption of your preferred shares we will pay 100% of the stated value per share being redeemed, plus any accrued and unpaid dividends thereon. If we redeem your preferred shares prior to the one-year anniversary of your purchase of those shares, we will also pay an additional amount equal to one year’s worth of dividends on your redeemed preferred shares (i.e., resulting in an effective redemption price of no less than 107% of the stated value of the preferred shares being redeemed).

Our limited operating history makes it difficult for you to evaluate our likely performance and this investment.

We are a company with a limited history, which makes it difficult to accurately forecast our earnings and cash flows. During the nine months ended September 30, 2016, we incurred a net loss of $42,000. During the year ended December 31, 2015, we incurred a net loss of $6.0 million, and in the year ended December 31, 2014, we incurred a net loss of $6.1 million. Our lack of a significant history and the evolving nature of the market in which we operate make it likely that there are risks inherent in our business that are yet to be recognized by us or others, or not fully appreciated, and that could result in us earning less than we anticipate or even suffering further anticipated or unanticipated losses. As a result of the foregoing, an investment in our securities necessarily involves uncertainty about the stability of our earnings, cash flows and, ultimately, our ability to service and repay our debt and meet our other obligations. Moreover, we have limited income, cash flow, funds from operations and cash available for distribution from which we can make dividend distributions to holders of the Series 2 Redeemable Preferred Stock.

You should consider our prospects in light of the risks, uncertainties and difficulties frequently encountered by companies like ours that do not have a substantial operating history, many of which may be beyond our control.

We depend upon cash distributions from our subsidiaries, and contractual restrictions on distributions to us or adverse events at one of our operating subsidiaries could materially and adversely affect our ability to pay our debts and to continue to operate our business, which may harm our financial position and cash flow and potentially impact our ability to pay dividends on or satisfy redemptions for the Series 2 Redeemable Preferred Stock.

As its name suggests, GWG Holdings, Inc. is a holding company. As a holding company, we conduct our operations through our operating subsidiaries, and our only significant assets are the capital stock of our subsidiaries. Accordingly, our ability to meet our cash obligations, including our obligations under the Series 2 Redeemable Preferred Stock, depends in material part upon the ability of our subsidiaries to make cash distributions to us. In this regard, the ability of our subsidiaries to make distributions to us is, and will continue to be, restricted by certain negative covenants in the agreement governing our revolving credit facilities.

If any of these contractual limitations were to materially impede the flow of cash to us, such fact would materially and adversely affect our ability to pay cash dividends on or redeem this preferred stock. In addition, any adverse event at the subsidiary level, such as a declaration of bankruptcy, liquidation or reorganization or an event of default under our revolving credit facility, could materially and adversely affect the ability of our subsidiaries to make cash distributions to us. Just as with a material contractual impediment to cash flow, any such subsidiary corporate event would materially and adversely affect our ability to service and repay our debt and to pay cash dividends on or redeem these preferred shares, and could negatively impact our ability to continue operations.

We cannot guarantee we will be able to make cash distributions in satisfaction of dividend obligations.

Holders of Series 2 Redeemable Preferred Stock are entitled to receive, when and as authorized by our Board of Directors and declared by us out of legally available funds, cumulative cash dividends on each share of preferred stock at an annual rate of 7.0% of the stated value. We expect to pay dividends on the Series 2 Redeemable Preferred Stock monthly. Nevertheless, provisions of Delaware law, our Certificate of Incorporation, or our borrowing agreements, may prohibit us from doing so. If our Board of Directors does not declare and pay cash dividends, and if they do not choose to satisfy our dividend-payment obligations by issuing additional shares of preferred stock, then unpaid dividends will cumulate.

We established the offering price for the preferred stock pursuant to negotiations among us and our dealer manager and, as a result, the actual value of your investment may be substantially less than what you pay.

The selling price of this preferred stock has been determined pursuant to negotiations among us and the dealer manager, based upon the following primary factors: the economic conditions in and future prospects for the industry in which we compete; our prospects for future earnings; an assessment of our management; the present state of our development; the prevailing conditions of the equity securities markets at the time of this offering; and current market valuations of public companies considered comparable to our company. Because the offering price is not based upon any independent valuation, the offering price is not indicative of the proceeds that you would receive upon a sale of those securities or our liquidation.

The Series 2 Redeemable Preferred Stock will be subordinate in right of payment to any corporate-level debt that we incur, and your interests could be diluted by the issuance of additional preferred stock and by other transactions.

The Series 2 Redeemable Preferred Stock will be subordinate in right of payment to any corporate-level debt that we incur. The credit agreement for one of our credit facilities includes, and future debt we incur may include, restrictions on our ability to pay cash dividends on our preferred stock, including the Series 2 Redeemable Preferred Stock. The issuance of additional preferred stock on a parity with or senior to the Series 2 Redeemable Preferred Stock would dilute the interests of the holders of this preferred stock, and any issuance of preferred stock senior to the Series 2 Redeemable Preferred Stock or of additional indebtedness could affect our ability to pay cash dividends on, redeem or ultimately pay the liquidation preference on the Series 2 Redeemable Preferred Stock. The Series 2 Redeemable Preferred Stock does not contain any provision affording the holders of these preferred shares protection in the event of a highly leveraged or other transaction, including a merger or the sale, lease or conveyance of all or substantially all of our assets or business, that might adversely affect the holders of these preferred shares.

Our ability to redeem these preferred shares may be limited by Delaware law.

Under Delaware law, a corporation may redeem stock as long as, after giving effect to the redemption, the corporation is able to pay its debts as they become due in the usual course (the equity solvency test) and its total assets exceed the sum of its total liabilities plus, unless its charter permits otherwise, the amount that would be needed, if the corporation were to be dissolved at the time of the redemption, to satisfy the preferential rights upon dissolution of stockholders when preferential rights on dissolution are superior to those whose stock is being redeemed (the balance sheet solvency test). If we were insolvent at any time a redemption of these preferred shares is requested or otherwise required to be made, we would not be able to effect that redemption.

We have no obligation to contribute to a sinking fund to retire the Series 2 Redeemable Preferred Stock, nor is this preferred stock guaranteed by any governmental agency.

We have no obligation to contribute to a sinking fund with respect to the Series 2 Redeemable Preferred Stock, and our obligations under this preferred stock are not guaranteed by any depositary institution. Further, no governmental entity insures or guarantees payment on this preferred stock if we do not have enough funds to make principal or interest payments.

Actual results from our life insurance portfolio may not match our expected results, which could adversely affect our ability to make distributions.

Our business model relies on achieving actual results from our portfolio of life insurance assets that are profitable. In this regard, we expect to receive cash flows from our investments in life insurance policy assets over time. We believe that the larger the portfolio we own (in terms of mortality diversification), the greater the likelihood that we will receive cash flows that better meet our expectations. To our knowledge, rating agencies generally suggest that portfolios of life insurance policies be diversified enough to achieve actuarial stability in receiving expected cash flows from underlying mortalities. For instance, in a study published in 2016, A.M. Best concluded that at least 300 lives are necessary to narrow the band of cash flow volatility and achieve actuarial stability, while Standard& Poor's has indicated that stability is unlikely to be achieved with a pool of less than 1,000 lives. As of September 30, 2016, we owned life insurance policies covering 562 lives. Accordingly, while there is a risk with a portfolio of any size that actual cash flows may be less predictable than expected, we believe that the risk is higher when our current portfolio is smaller than rating agency recommendations.

Although we plan to expand the number of life insurance policies we own using proceeds raised from this offering, we may be unable to meet this goal if sufficient financing from capital sources is not available or is available only on unfavorable or unacceptable terms. Furthermore, even if our portfolio reaches the size we desire, we still may experience differences between our expected cash flows and our actual cash flow. Any resulting reduction in our revenues and net income could cause a resulting decrease in our cash available for distributions.

Cost-of-insurance (premium) increases could materially and adversely affect our financial condition and our profitability.

We are subject to the risk of increased cost-of-insurance (COI) charges (i.e., premium charges) for the universal life insurance policies we own in our portfolio. Approximately 10% of the policies in our portfolio have premium levels that are guaranteed, under the terms of the policy, to keep the policy's death benefit in force even in a situation where the policy's cash account has been wholly depleted. We fund the remaining 90% of our policies to pay "non-guaranteed COI charges," and therefore we are subject to the risk that the insurer could increase the COI charges for the policy. In all cases, the amount or rate of increase is subject to limits set forth in the insurance policy. Because very few of the policies we own have significant cash account value balances, any COI increase will require us to use more cash to satisfy the minimum premium amount required to keep the policy in force.

A COI increase can be expected to impair the value of the affected policy because extra expense (additional premium amounts) will be required to keep the policy in force, and such extra expense will diminish the economic value (return) of the policy upon the mortality of the insured. As a result, any widespread COI increases in policies owned in our portfolio would likely have a material and adverse effect on the value of our portfolio, which in turn would materially and adversely affect our financial condition and our profitability.

We may not be able to raise the capital that we are seeking, and may be unable to meet our overall business objectives of growing a larger, more statistically diverse portfolio of life insurance policies without the proceeds from our securities offerings.

Our offer and sale of preferred stock and our L Bond offering are the principal means by which we intend to raise funds needed to meet our goal of growing a larger and more statistically diverse portfolio likely to meet our cash flow projections. While we plan to continue financing our business, if we are unable to continue to do so for any reason we may be unable to meet our goal. In addition, if actual cash flows from our portfolio of life insurance policies do not occur as our actuarial projections have forecasted, we could be forced to sell our investments in life insurance policies in order to service or satisfy our debt-related obligations. If we are forced to sell investments in life insurance policies or our entire portfolio, we may be unable to sell them at prices we believe are optimal, and may not be able to sell them

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at prices that approximate the discount rate we have applied to value our portfolio, particularly if our sale of policies occurs at a time when we are (or are perceived to be) in distress. In any such event, our business and the value of our securities, including these preferred shares, may be materially and adversely impacted.

Inaccuracies in the life expectancy estimates and mortality curves we use for small face policies could have a material and adverse effect on our results of operation and financial condition.

As of September 30, 2016, we owned 306 "small face" life insurance policies (i.e., a policy with $1 million in face value benefits or less) having $164 million in face value of insurance benefits. The underwriting processes and mortality curves we use to evaluate, price and purchase small face policies may be different from, and, as a result, may not be as reliable as, the processes we use for life insurance policies with larger face values of benefits. While we obtain life expectancy reports from third-party evaluators based on medical evidence, the processes used to develop these life expectancy reports are less extensive than traditional methods. Although we have professional actuarial guidance in the use and application of mortality curves to price and value small face policies, the application of these mortality curves may not be as reliable as, or more subject to adjustment than, the processes we use for larger face value of benefits. As the face value of our small face policies increases relative to the size of our total portfolio, the accuracy with which we have estimated life expectancies and mortality curves for these policies will become increasingly material to our business. Any shortcomings in the processes we have used to evaluate, price, purchase and value the small face policies we own could have a material and adverse effect on our results of operation and financial condition. Any such outcomes would likely have a negative and possibly material effect on the price of our common stock and our ability to satisfy our debts and pay cash dividends.

We may in the future rely, in part, on new and unproven technology as part of our underwriting processes. If the mortality predictions we obtain through use of this technology proves inaccurate, our results of operation and financial condition could be materially and adversely affected.

We recently exercised our option to license, on an exclusive basis for use in the life insurance industry, new technology (which we call "M-Panel" technology) that we believe may be applied to assist us with mortality predictions in the course of underwriting and valuing life insurance policies. This M-Panel technology, however, has not yet been commercially applied in the manner we envision, and it is possible that we will be unable to elicit more accurate mortality predictions through its use. It is also possible that the mortality predictions we obtain through the use of this M-Panel technology will prove inaccurate, and perhaps materially so. In such a case, our failure to accurately forecast mortalities could have a material and adverse effect on our results of operation and financial condition, which could in turn materially and negatively affect the price of our common stock and our ability to satisfy our debts and pay cash dividends.

We may be unable to enter into a license prohibiting competitors from using the M-Panel technology, and we may be required to obtain additional licenses from other parties prior to our use of that technology. If we encounter difficulties in these regards, we may be forced to develop our own proprietary processes, the success of which may not be certain. Difficulties we encounter in our efforts to use or develop, and protect, intellectual property may prove costly and affect our results of operations.

Although we recently exercised our option to exclusively license M-Panel technology for use in the life insurance industry, we have not yet entered into a written license agreement for this purpose. We continue, however, negotiating the terms and conditions of that written license agreement and assessing the scope of protection we would obtain through such an agreement. The intellectual property rights (relating to the M-Panel technology) that we have a right to license are the subject of a provisional patent, and no patent protection will be afforded those rights unless and until a non-provisional patent application is filed with the U.S. Patent and Trademark Office, which filing is beyond our control. If the patent for the M-Panel technology were to issue and we were to enter into the license agreement, we would be legally entitled to prevent third parties from using any part of the technology that is both covered by the claims of the patent and licensed to us. If, on the other hand, no patent is ultimately granted with respect to the

M-Panel technology (or the scope of claims is too narrow to afford us with meaningful protection), or if we are unable to enter into a license agreement, we may be unable to prevent third parties from using the M-Panel technology. This outcome may severely diminish any competitive advantage we hope to obtain through our use of the M-Panel technology.

We are aware that other patent applications pending in the U.S. Patent and Trademark Office may have scopes of claims that overlap with the claims contained in provisional patent application filed with respect to the M-Panel technology. If those other patents were to issue with scopes of claims that in fact overlap with the claims in any patent application for the M-Panel technology, we would likely be required to enter into a license agreement with other third parties before we could use processes that are covered by those overlapping claims. We may be unable, however, to procure such a license, and even if we are able to procure such a license it may prove too costly for us. Alternatively, we would ourselves be required to develop other processes that would not overlap with other patent claims. Our own development of these processes could be costly and time consuming and may ultimately prove unsuccessful.

In sum, any difficulties we encounter in our efforts to use (through a license), or develop, and ultimately protect, intellectual property from which we hope to gain a competitive advantage and enter into new insurance-related markets could prove costly and time-consuming enough to materially and adversely affect our results of operations.

The technology we license may subject us to claims of infringement or invalidity from third parties, and the magnitude of this risk to our business generally rises if and as we become more successful in employing and relying on the technology. Any such claims would be complex and costly, and adverse outcomes could undermine the competitive advantages we seek.

Our reliance on technology will subject us to the risk that other parties may assert, rightly or wrongly, that our intellectual property rights are invalid or violate the rights of those parties, as well as the risk that our intellectual property rights will be infringed upon by third parties. In general, defending intellectual property rights in litigation is expensive. Our involvement in litigation of this type would likely have a material and adverse effect on our business and results of operation. In addition, any outcome that invalidates our intellectual property rights or otherwise diminishes the competitive advantages obtained, at least in part, through the use of those rights could have a material and adverse effect on our competitive position and our prospects. The magnitude of these risks — even if not the likelihood — becomes more pronounced if and as our use of proprietary intellectual property rights contributes to our overall success.

We are an “emerging growth company” under federal securities laws, and the reduced reporting requirements applicable to emerging growth companies may make our common stock less attractive to investors.

We are an “emerging growth company,” as defined in the Jumpstart Our Business Startups Act, or JOBS Act. For as long as we continue to be an emerging growth company, we may take advantage of exemptions from various reporting requirements normally applicable to public companies, including not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, exemptions from the requirements of holding a non-binding advisory vote on executive compensation, and delayed adoption of new or revised financial accounting standards. We could be an emerging growth company through 2019, although certain circumstances could cause us to lose that status earlier. It is possible that investors will find our common stock (into which Series 2 Redeemable Preferred Stock is partially convertible) less attractive due to our use of these reduced reporting requirements. If some investors do in fact find our common stock less attractive, there may be a less active trading market for our common stock and our stock price may be more volatile.

We cannot know the tax implications of an investment in this preferred stock.

The section of this prospectus entitled “Material Federal Income Tax Considerations” sets forth a summary of federal income tax consequences to the purchasers of the Series 2 Redeemable Preferred Stock. No information is provided concerning tax consequences under any other federal, state, local or foreign laws that may apply to the purchasers of the preferred stock. Prospective investors or their representatives should read that section very carefully in order to properly evaluate the federal income tax risks of an investment in these preferred shares. Each prospective investor should consult his personal counsel, accountant and other business advisors as to the federal, state, local and foreign tax consequences of an investment in this offering.

USE OF PROCEEDS

Assuming we sell the maximum number of preferred shares in this offering, for cash, at the public offering price of $1,000 per share, we expect to receive up to approximately $137,635,000 of net cash proceeds from this offering after paying selling commissions, dealer manager fees, and our own estimated offering expenses. More specifically, if all preferred shares offered hereby are sold, we would pay $9,000,000 in selling commissions, up to $3,000,000 in additional compensation, and an estimated $365,000 in our own offering-related expenses consisting of legal, accounting, printing, mailing, registration, qualification and associated securities offering filing costs and expenses. Additional compensation consists of (i) a non-accountable expense allowance of up to 0.60% of gross offering proceeds, (ii) an accountable expense allowance of up to 0.40% of gross offering proceeds, (iii) a dealer manager fee (payable only to the dealer manager) of 0.40% of gross offering proceeds for managing and coordinating the offering, (iv) a wholesaling fee (payable only to the wholesalers, who are employees of the Company and associated with the dealer manager) of 0.50% of gross offering proceeds, and (v) non-cash compensation of up to 0.10% of gross offering proceeds. Aggregate additional underwriting compensation will not exceed 2.0% of gross offering proceeds. The dealer manager may reallow up to 0.60% of additional compensation to soliciting broker-dealers. The amount of the reallowance to any soliciting broker-dealer will be determined by the dealer manager in its sole discretion.

The maximum amount of commissions, fees, non-cash compensation, if any, and reimbursements payable to FINRA selling members is 8.0% of the gross proceeds of preferred shares sold. If all of the preferred shares were sold for cash and the maximum commissions, fees, non-cash compensation and reimbursements were paid, we estimate that the net cash proceeds to us, after paying our own estimated offering and related expenses, would be approximately $137,635,000. Nevertheless, because we do not know the total amount of preferred shares that will be ultimately sold, we are unable to accurately forecast the total net proceeds that will be generated by this offering.

There is no minimum amount of preferred shares that must be sold before we access investor funds.

Our primary goal is to use a majority of the net proceeds from the sale of preferred shares to purchase additional life insurance policy assets. The precise amount of proceeds we apply towards purchasing additional life insurance policy assets will depend, among other things, on the amount of net proceeds that we receive from the sale of shares being offered, the existence and timing of opportunities to invest in life insurance policy assets or acquire other yield-bearing assets, our cash needs for certain other expenditures (summarized below) we anticipate incurring in connection with our business, and the availability of other sources of cash (e.g., our revolving credit facilities). These certain other expenditures include:

- servicing life insurance assets;
- paying principal at maturity, interest and fees to our lenders, including under our revolving credit facility, the Series I Secured Notes, and the L Bonds; and paying fees and expenses of the trustees of certain trusts and the securities intermediary associated with our financing arrangements, and fees and expenses related to the securities offered hereby;
- acquiring other yield-bearing assets;
- developing technologies we have licensed, and commercial deployment of those technologies;
- calling and redeeming other outstanding preferred stock we have issued; and
- general working capital purposes

As indicated above, the extent to which we will use proceeds from this offering for these other purposes, and the amounts and timing of such expenditures will depend on a variety of factors. In sum, our management will have significant discretion over the ultimate manner in which net proceeds from this offering will be applied. Net offering proceeds not immediately applied to the uses summarized above will be invested in short-term investments such as money market funds, commercial paper, U.S. Treasury Bills and similar securities investments pending their use. We may also purchase interest rate hedges to lock in our cost of capital, or longevity hedges to lock in our expected return from our portfolio.

As indicated above, we may use some of the net proceeds from this offering to pay premiums on life insurance assets we own and servicing costs. Our aggregate premium obligations over the next five and one-half years for life insurance assets that we own as of September 30, 2016, together with anticipated servicing costs, are set forth in the table below. These obligations do not take into account the expectation of mortality over the periods presented.

Years Ending December 31	Premiums
Three months ending December 31, 2016	$ 10,637,000
2017	43,905,000
2018	47,597,000
2019	51,563,000
2020	57,383,000
2021	63,972,000
Total	$ 275,057,000

Also as indicated above, we may use some of the net proceeds from this offering to pay principal amounts owing under our Series I Secured Notes or L Bonds when such amounts become due and payable, or to call and redeem other preferred shares outstanding. The amount of such securities that we would repay with proceeds of this offering will depend, in part, on whether the holders of the debt securities elect repayment rather than renewal of such securities, as well as whether we perceive higher returns to be available to us for other uses of our proceeds or if we elect to use other sources of repayment. We believe it is most likely that such payments, if any, would relate to debt securities that mature within the first three years after the initial effective date of the registration statement of which this prospectus is a part.

At September 30, 2016 and December 31, 2015, the weighted-average interest rate of Series I Secured Notes was 8.63% and 8.47%, respectively. The principal amount outstanding under these Series I Secured Notes was $17,830,000 and $23,578,000 at September 30, 2016 and December 31, 2015, respectively. At September 30, 2016 and December 31, 2015, the weighted-average interest rate of L Bonds was 7.16% and 7.18%, respectively. The principal amount outstanding under these L Bonds was $384,586,000 and $282,171,000 at September 30, 2016 and December 31, 2015, respectively. At September 30, 2016 and December 31, 2015, we had 2,650,000 and 2,782,000 shares, respectively, of Series A Convertible Preferred Stock outstanding, with related liquidation preference amounts of $19,872,000 and $20,863,000, respectively.

BUSINESS

Overview

We are a financial services company committed to finding new ways of disrupting and transforming the life insurance and related industries through innovative products and services, business processes, financing strategies, and advanced epigenetic technology. Historically, we have focused on creating opportunities for consumers to maximize the value of their life insurance as compared to the traditional options offered by the insurance industry. As part of our business, we create opportunities for investors to receive income and capital appreciation from our various activities in the life insurance and related industries. More recently, we have focused on applying new technology to our products and services that promises to be more predictive and offer even greater opportunity in the life insurance and related industries.

The life insurance industry provides us with the opportunity to bring value to consumers and earn non-correlated yield by purchasing life insurance policies at a discount to the face value of the policy benefit. We pay the premiums of the policies that we purchase and collect the policy benefit upon maturity. This practice is disruptive to the life insurance industry since insurance carriers rely on consumer lapse and surrender behavior resulting in the forfeiture of policy benefits. Since inception, we have purchased approximately $2.2 billion in face value of policy benefits from consumers for over $379.7 million, as compared to the $26.1 million in surrender value offered by insurance carriers on those same policies. As such, we provide unique and valuable services that help meet the financial need of life-insurance-owning consumers 65 years or older.

By purchasing life insurance policies at a discount to the face value of the policy benefit, we have the opportunity to generate attractive investment returns from assets the value of which is not correlated to traditional financial markets. The potential yield generated from a portfolio of life insurance assets equals the difference between the purchase price of the life insurance assets, plus the premiums and financing costs to maintain those assets, and the face value of the policy benefits received. As of September 30, 2016, our total investment in our portfolio of life insurance assets, including the purchase price, attendant premiums and financing costs, was $460 million, and the total face value of our life insurance policy benefits was $1.272 billion.

We seek to build a profitable and large portfolio of life insurance assets that is well diversified in terms of insurance companies and insureds. We believe that diversification is a key factor and risk mitigation strategy to provide consistent cash flows and reliable investment returns. Accordingly, we seek to grow our portfolio and achieve diversification through a variety of financings and securities products offered to investors. To this end, we have built a robust operational platform to offer consumers options based on the market value of their life insurance policy.

A critical factor for our overall success is our ability to accurately estimate human life expectancy. Our search for increased precision in estimating human life expectancy led us to a mortality predictive technology developed by Dr. Steve Horvath, a Professor of Human Genetics and Biostatistics at the University of California, Los Angeles (UCLA). We recently exercised an exclusive option to license, for use in the life insurance industry, Dr. Horvath's "DNA Methylation Based Predictor of Mortality" technology or "M-Panel" technology, which tests certain metabolic processes occurring at the molecular level that are referred to as "methylation." We believe M-Panel technology could improve our ability to more precisely predict life expectancy and, in turn, generate more reliable investment returns from our portfolio of the life insurance assets. We are currently in the process of negotiating a license agreement and assessing the intellectual property protection we may receive as a result of such a license.

We believe that M-Panel technology could revolutionize the life insurance industry's ability to more accurately predict human life expectancy. The ability to more precisely predict human life expectancy on a cost-effective basis could be a significant innovation for the life insurance, long-term care, and annuity industries. Accordingly, we intend to pursue additional lines of business in the life insurance industry that commercialize and capitalize on the use of M-Panel technology. We believe this presents us with significant growth opportunities in what is referred to as the "insurtech" marketplace, where new technologies are transforming the historical methods and models of the insurance industry.

To grow our portfolio and achieve the diversification we seek, as well as to pursue additional opportunities in the life insurance and related industries through the use of technology, we offer investors the opportunity to potentially receive income and capital appreciation through a variety of financings and securities offerings providing investors with potential yield appreciation derived from the life insurance industry.

We are dedicated to finding new ways of disrupting and transforming the life insurance industry, both as it relates to our historical secondary life insurance business and now with the application of advanced epigenetic technology. Today, we provide consumers additional value for their life insurance policies by disrupting the status quo of high policy lapse rates and low surrender values that life insurance carriers have enjoyed for years. In the future, we intend to disrupt the industry further by providing consumers with additional innovative products and services that benefit from the use of advanced technologies, such as the M-Panel technology we are seeking to license. We believe this technology will permit us to reimagine the way in which risk is assessed, selected and priced in the life insurance industry, and possibly also the long-term care and annuity industries.

Our business was originally organized in February 2006. We added our current parent holding company, GWG Holdings Inc., in March 2008, and in September 2014 we consummated an initial public offering of our common stock on The NASDAQ Capital Market, where our stock trades under the ticker symbol “GWGH.”

GWG Holdings, Inc. (GWG Holdings) conducts its life insurance related business through a wholly owned subsidiary, GWG Life, LLC (GWG Life), and GWG Life’s wholly owned subsidiaries, GWG Life Trust, GWG DLP Funding III, LLC, and GWG DLP Funding IV, LLC. All of these entities are legally organized in Delaware, other than GWG Life Trust, which is governed by the laws of the State of Utah. Unless the context otherwise requires or we specifically so indicate, all references in this prospectus to “we,” “us,” “our,” “our Company,” “GWG,” or the “Company” refer to these entiti collectively. Our headquarters are based in Minneapolis, Minnesota.

Markets

Consumers Owning Life Insurance; Other Products

The market for life insurance is large. According to the American Council of Life Insurers Fact Book 2016 (ACLI), individual consumers owned over $10.3 trillion in face value of life insurance policy benefits in the United States in 2015. In that same year, the ACLI reports individual consumers purchased an aggregate of $1.6 trillion of new life insurance policy benefits. This figure includes all types of policies, including term insurance and permanent insurance known as whole life and universal life. Moreover, we believe that existing markets related to insurance are potential areas where we could engage in disruptive activity benefitting consumers and investors. An example would be the annuity market. The ACLI reports that, in 2015, individual consumers purchased $209 billion of annuities and owned over $2.3 trillion total outstanding annuities, of which 97.5% are life-contingent payout obligations.

The secondary market for life insurance exists as a result of consumer lapse behaviors and inadequate surrender values offered to consumers by the insurance carriers. The ACLI reports that the lapse and surrender rate for individual life insurance policies is 5.4%, amounting to over $638.5 billion in face value of policy benefits surrendered in 2015 alone. According to testimony by Gottlieb & Smetters, it is estimated that nearly 88% of all universal life insurance policies sold in the United States do not result in the payment of a benefit claim.

Rather than allowing a policy to lapse as worthless, or receiving the surrender value offered by the issuing insurance carrier, the secondary market can be a source of significant value to consumers. Without the secondary market, insurance carriers maintain monopsony power over consumers who no longer desire to pay the premiums for their life insurance coverage. To illustrate the significance of this value, since our inception we have paid consumers $379.7 million for their life insurance policies as compared to the $26.1 million of cash surrender value offered by insurance carriers for these same policies. The development of a robust life insurance secondary market provides consumers with greater flexibility and options for the life insurance assets they own and maintain.

The life insurance secondary market is geared towards consumers, 65 years and older, who own life insurance and are addressing retirement financial needs. These consumers represent the fastest growing demographic segment in the United States according to the U.S. Census Bureau. As these consumers age, they and their families will be faced with a variety of financial needs that can benefit from the value-added products and services we offer.

Research by Conning Research & Consulting (Conning) reports that the annual net market potential for life insurance policy benefits sold in the secondary market exceeded $141 billion face value of policy benefits in 2016. Of that market potential, Conning estimates that investors purchased approximately $1.7 billion in face value of life insurance benefits in 2015, indicating that the market is dramatically underserved. And with an aging demographic in the United States, Conning expects the net market potential to grow to an annual $170 billion in face value of life insurance benefits by 2025. We share the belief that the life insurance secondary market represents both a dramatically underserved market and a significant long-term growth opportunity. We further believe that GWG is well positioned to address the market need.

Technology and the Life Insurance Industry

The opportunity to apply technology to transform the life insurance is significant. According to industry consultants at KPMG, Accenture, and Ernst & Young, there is a major movement afoot to transform the insurance industry through the use and application of advanced technologies. This movement, commonly referred to as "insurtech," suggests a new era of disruptive entrants into the traditional insurance marketplace that have the potential to upend the insurance industry's historical approach to assessing and selecting acceptable risks.

We intend to participate in the life insurance industry's insurtech movement, initially through the advanced epigenetic technology developed by Dr. Steve Horvath. We began working with Dr. Horvath in 2015 after he reported that human cells have an internal "biological age" and "biological clock" at the DNA molecular level that is indicative of the aging process. The study of chemical modifications to the DNA molecule that reveal aging, and upon which the M-Panel technology is based, is part of the epigenetics field. Epigenetics is the study of how the DNA molecule's instructions are translated into the production of proteins that make us who we are. Dr. Horvath's epigenetic research has focused on methylation sites on our DNA in order to study the determinants of aging and mortality.

In 2016, Dr. Horvath reported a discovery upon the completion of a statistical meta-analysis of over 13,000 individual epigenetic samples. His research identified specific sets of methylation-based bio-markers that could be used to predict individual risk of all-cause mortality. We believe the implications of this discovery are simple and profound: individual lifespans can now be estimated with significantly greater precision across large groups of people. We are currently working to translate this technology into an actuarial underwriting methodology that we believe could revolutionize the life insurance industry.

Investors Seeking Yield from Alternative Assets

Since the credit crisis of 2008, the flow of capital to a variety of alternative asset classes has undergone a structural shift. Alternative assets, broadly defined, are any non-traditional asset with potential economic value that would not be found in a standard investment portfolio. An asset is generally considered "alternative" if it has some or all of the following characteristics: a limited investment history, not commonly found in portfolios, an illiquid market, different performance characteristics, and requires specialized skill to originate and service the asset. Definitions of traditional assets today extend well beyond stocks and bonds, and can include a variety of assets which may have been better classified as "alternative" a decade ago, i.e., real estate, commodities or natural resources. Thus, what is an alternative asset today may be considered tomorrow's mainstream investment asset.

Once dominated by banks, alternative asset markets are in many cases no longer viable for banks to finance due to vast new regulation effected since the 2008 credit crisis, regulation that has in effect reshaped the way in which banks participate in many parts of the economy. At the same time, an increasing number of investors are now turning to alternative asset classes as a means to diversify their investment portfolio to manage risk and volatility, and to obtain greater returns in the low interest rate environment that has persisted since 2008. In fact, according to research published by Goldman Sachs, a significant shift by retail investors in their investments from an average of 4% allocation in alternative asset investments to the 20% allocation favored by institutional investors is expected over the next five to ten years (see Goldman Sachs, Retail Liquid Alternatives: The Next Frontier (2013)).

The trend of investors seeking access and exposure to alternative investment products is expected to continue as traditional bank sources of capital for these assets continues to retreat and alternative investment product offering innovations occur within the regulated securities markets. Researchers at McKinsey report that U.S. individual investors are expected to be a primary driver of growth in alternative asset investments. McKinsey reports that high net-worth individuals and the mass affluent are increasingly looking to hedge downside risk, protect principal, manage volatility, and generate income — the same reasons institutional investors have favored larger allocations to alternative asset investment classes.

Our Business Model

Our business model is to earn a net profit between the yield generated by the assets we own and the costs we incur to originate and finance those assets. We believe that we are uniquely positioned to acquire life insurance assets in the secondary market directly from consumers needing our services, and to finance our portfolio's growth by providing investors with the opportunity to participate in the yield we generate from our assets. In addition, if we are successful in implementing M-Panel or other similar technology, we believe that we will be uniquely positioned to create even more opportunities for capital appreciation by obtaining a competitive edge in our current market space, exploiting our technologies in other insurance-related industries, and bringing innovative products and services to those industries.

To participate and compete in, and expand, our markets, we spend significant resources: (i) recruiting and developing a professional management team; (ii) establishing strategic relationships for delivering the services we provide; (iii) creating opportunities for investors to participate in the yield and capital appreciation generated by the alternative life insurance assets and technology we own; (iv) creating innovative growth opportunities to participate in the life insurance industry through the use of technology; and (v) developing a robust operational platform and systems for originating life insurance policies and other alternative assets.

Originating Life Insurance Assets

We generally purchase life insurance assets in the secondary market directly from policy owners who purchased their life insurance in the primary market. Historically, we have purchased these life insurance policies through a network of specialized brokers who assist consumers and financial professionals in accessing the secondary market. We maintain membership affiliations and representation within key industry groups, such as the Life Insurance Settlement Association. We typically attend and sponsor trade events where we maintain contacts and visibility among professionals who submit life insurance policies for our potential purchase.

A key strategic initiative of ours has been to expand our origination capabilities by marketing our products and services directly to consumers through financial professionals. Most recently, we focused these efforts towards financial professionals, namely financial advisors and life insurance agents, through our "Appointed Agent Program." Our Appointed Agent Program is designed to empower financial professionals to bring the life insurance secondary market's value proposition to their respective markets. Our Appointed Agent Program emphasizes education, training, regulatory compliance, and marketing support. We have built an extensive team capable of marketing our products and services directly to life insurance professionals. We expect to continue allocating considerable resources towards the development and support of our direct origination team. We believe these resources will be of particular value as we seek to expand our business into other, more conventional, insurance-related industries.

Underwriting and Purchasing Life Insurance Assets

We focus on investing in high quality life insurance assets through our origination practices and underwriting procedures. These practices and procedures strive to meet guidelines and methodologies published by rating agency A.M. Best. At the same time, we seek innovative value-added tools, services, and methodologies to improve both the accuracy and efficiency with which we acquire life insurance assets.

Our secondary market underwriting procedures consist of a careful review and analysis of available materials and information related to a life insurance policy and the insured. The goal of our underwriting procedures is to make an informed purchasing decision. We typically purchase life insurance policies from insureds who are 65 years or older and whose life expectancies are less than 120 months (ten years). The life expectancies we use are estimates, stated in months, which indicate the 50% probability of an individual's mortality (meaning actuarial analysis predicts half of the individuals with similar age, sex, and medical conditions will experience mortality before that number of months, and half will experience mortality after that number of months). Life expectancies are based on actuarial tables that predict statistical probability of individual mortality.

We obtain life expectancies from independent third-party medical-actuarial underwriting firms, unless the life insurance policy benefit has a face value of $1,000,000 or less (which we generally refer to as a "small face policy"). When we obtain life expectancies from independent third-party medical-actuarial firms, we receive a medical underwriter's report summarizing the health of the insured based on a review of the insured's historical medical records. For all life insurance policies we purchase, other than small face policies, we average two life expectancies from two independent medical-actuarial underwriting firms to form the life expectancy we use to price and value our life insurance assets. In some cases, we may obtain more than two life expectancy estimates. In those cases, we average the two life expectancy estimates that we believe are the most reliable of those we have received, based on our own analyses and conclusions. In this regard, the two life expectancy estimates we ultimately choose to average may not always be the most conservative. For small face policies, we use modified procedures to estimate a life expectancy that may, or may not, use life expectancies from independent third-party medical-actuarial underwriting firms. If in the future we believe our business model will benefit from changes in our underwriting process and if such revisions are permitted under our borrowing covenants, we may change our underwriting processes and policies.

Our success with our Appointed Agent Program, and in designing and implementing underwriting procedures, has presented us with the opportunity to purchase a greater number of small face life insurance policies. We believe this opportunity is meaningful since the majority of life insurance policies outstanding are small face policies, and policy diversification is critical in obtaining normalized actuarial performance. Historically, however, small face policies have not been available to purchasers of life insurance policies because the secondary market industry participants have significantly relied on life settlement brokers, who are paid a commission determined as a percentage of the face value benefit of the purchased policy, to present purchase opportunities. Not surprisingly, because larger commissions are associated with larger face value life insurance policies, brokers have focused on larger policies and the industry has developed origination practices and underwriting procedures to accommodate such practices. As a result, the industry's traditional approaches to underwriting and purchasing life insurance assets are ill suited for small face policies. For example, procuring complete medical records, two separate life expectancy reports, and engaging in related activities, can be time consuming and expensive, and these same costs cannot be justified when purchasing smaller life insurance assets. In sum, our method is focused on obtaining enough medical information to generate reliable life expectancy estimates, and thereby make informed purchase decisions. Our streamlined procedures have made it possible to complete a preliminary underwriting in a number of days (as opposed to weeks), and complete the entire purchasing process in a number of weeks (as opposed to months).

We expect to further refine our underwriting processes for large- and small-face policies over time and, to the extent possible, use new technologies to enhance this process and our overall business. In 2015 we began an initiative to re-examine the way in which we approached underwriting. Our initiative included a review of new advanced medical technologies capable of predicting aging and related mortality more accurately than traditional methods. One of these technologies uses new developments in the examination of telomere length, gene expression, and protein expression, and was pioneered by Dr. Steven Horvath, Professor of Human Genetics and Biostatistics at the University of California, Los Angeles (UCLA). Dr. Horvath is a recognized expert on aging who has focused his research on the root causes of aging encoded in the DNA molecule.

Value Proposition — Life Insurance as an Alternative Asset

We realize profits from the life insurance assets we own by earning a spread between the investment cost of our life insurance assets and the face value of the policy benefits we receive. Accordingly, if we originate and invest in life insurance assets in the secondary market, and make all the attendant premium payments to maintain those assets in order to receive the policy benefits, the most significant risk factors (among others that we discuss in the "Risk Factors" section of this prospectus) in the performance of those assets are: (i) the predictability of mortality, or longevity risk; and (ii) the creditworthiness of the issuing life insurance company, or credit risk. We believe the value proposition of our investments in the alternative asset of life insurance is our ability to obtain superior risk-adjusted returns.

Longevity Risk. We believe actuarial mortality is the single largest variable affecting the returns on our investments in life insurance assets and impacting the portfolio's performance over time. Accurately predicting a specific individual's mortality date is impossible, and the best an actuary can do is provide a set of probabilities of survival over time. Nevertheless, predicting mortality among a group of similarly situated individuals is less difficult — in fact, the larger the group, the more accurate actuarial prediction tends to become. The statistical mathematical concept stating that the results of random events tend to become very predictable as the number of events becomes large is the "Central Limit Theorem" (or more commonly known as the "Law of Large Numbers"). "Mean regression" is another statistical mathematical concept used to describe that, on average, observations (in this case, the actual mortality of insureds) tend to cluster around the mean observation (i.e., our estimate of mortality of insureds as described further under "Value Proposition" below). These statistical mathematical concepts are the basis for many business models, ranging from all types of insurance to the lottery. Insurance carriers, for example, can be very certain of the number of insurance claims to expect when they have spread their risk over a large book of diversified policies. In this way, insurance carriers can price a large number of insurance policies of any type to collect premiums slightly above the level of expected claims, and thereby expect to earn a surplus or profit. Similarly, a lottery can depend on an expected amount of earnings equal to the small advantage built into the odds of the games.

The implications for our business model are two-fold. First, as we accumulate larger numbers of life insurance policies, we should expect our results to increasingly correlate with our expectations. Second, over the long run, we should expect that the actual cash flows will converge with the forecasted cash flows from our portfolio of life insurance assets, and the actual return on our portfolio of life insurance assets will converge with our expected return. Although medical advances and life expectancy changes may significantly impact the longevity risk we face and our understanding of that risk, these concepts nevertheless serve as guiding principles as we seek to build, manage, and forecast the performance of our portfolio of life insurance assets.

These expectations are affirmed in research published by A.M. Best and others, illustrating that as the number of insured lives increase within a portfolio of life insurance policies, there is a corresponding decrease in the standard deviation of the mortality events within the portfolio—i.e., longevity risk decreases as the number of insureds increases. Standard & Poor's indicates that 1,000 insured lives are required to reach statistical "significance" (where the relationship, in this context, between mortality projections and actual mortality events is not random). A.M. Best concludes that a portfolio of at least 300 insured lives is statistically significant. Our portfolio as of September 30, 2016 covered 625 insured lives and we believe that both the predictability and actual performance will continue to improve with additional size and diversification. Accordingly, we continue to seek to grow the size and diversification of the portfolio in order to further mitigate risk and improve our profitability.

<u>Credit Risk</u>. We rely on the payment of policy benefit claims by life insurance companies as our most significant source of revenue collection. The life insurance assets we own represent obligations of third-party life insurance companies to pay the benefit amount under the relevant policy upon the mortality of the insured. As a result, we manage this credit risk exposure by generally purchasing policies issued by insurance companies with investment-grade ratings from Standard & Poor's, and diversifying our portfolio among a number of insurance companies.

Approximately 97.0% of life insurance assets in our portfolio were issued by insurance companies with investment-grade credit ratings from Standard & Poor's, as of September 30, 2016. Our largest life insurance company credit exposures and their respective Standard & Poor's credit rating of their respective financial strength and claims paying ability is set forth below:

Rank	Policy Benefits		Percentage of Policy Benefit Amount		Insurance Company	Ins. Co. S&P Rating
1	$	182,494,000	14.3	%	AXA Equitable Life Insurance Company	A+
2	$	165,255,000	13.0	%	John Hancock Life Insurance Company (U.S.A.)	AA-
3	$	145,721,000	11.5	%	Lincoln National Life Insurance Company	AA-
4	$	129,116,000	10.1	%	Transamerica Life Insurance Company	AA-
5	$	89,806,000	7.1	%	Metropolitan Life Insurance Company	A+
6	$	57,250,000	4.5	%	Massachusetts Mutual Life Insurance Company	AA+
7	$	50,975,000	4.0	%	American General Life Insurance Company	A+
8	$	48,095,000	3.8	%	Pacific Life Insurance Company	A+
9	$	45,300,000	3.6	%	Reliastar Life Insurance Company	A
10	$	44,990,000	3.5	%	West Coast Life Insurance Company	AA-
		959,002,000	75.4	%		

The yield to maturity on bonds issued by life insurance carriers reflects, among other things, the credit risk (risk of default) of such insurance carrier. We follow the yields on certain publicly traded life insurance company bonds since this information is part of the data we consider when valuing our portfolio of life insurance policies for our financial statements.

Name of Bond	Maturity	YTM		Duration (Years)	Bond S&P Rating
AXA 7.125%	12/15/2020	1.54	%	4.2	BBB
Manulife Finl 4.15%	3/4/2026	2.83	%	9.4	A
Lincoln National Corp Ind 3.35%	3/9/2025	3.05	%	8.7	A-
Amer Intl Grp 4.875%	6/1/2022	2.48	%	5.7	A-
Protective Life 7.375%	10/15/2019	2.18	%	3.0	A-
Metro Life Gbl Fd1 4.75%	9/17/2021	3.01	%	5.0	AA-
Prudential Finl Inc Mtns Book 4.5%	5/15/2024	2.97	%	7.9	A
Average yield on insurance bonds		2.58	%	6.3	

The table above indicates the current yields to maturity (YTM) for the senior bonds of selected life insurance carriers with durations, on average, that our similar to our life insurance portfolio. The average YTM of these bonds was 2.58%, which we believe reflects, in part, the financial market's judgment that credit risk is low with regard to these carriers' financial obligations. It should be noted that the obligations of life insurance carriers to pay life insurance policy benefits ranks senior to all of their other obligations. This "super senior" priority is not reflected in the YTM in the table and, if considered, would result in a lower YTM all else being equal. As such, as long as the respective premium payments have been made, it is highly likely that the owner of the insurance policy will collect the insurance policy benefit upon the mortality of the insured.

Value Proposition. We define the value proposition presented by our portfolio of life insurance assets as our ability to earn superior risk-adjusted returns. At any time, we calculate our returns from our life insurance assets based upon (i) our historical results; and (ii) the future cash flows we expect to realize from our statistical forecasts. To forecast our expected future cash flows, we use the probabilistic method of analysis. The actuarial software we use to produce our expected future cash flows and conduct our probabilistic analysis was developed by the actuarial firm Milliman and is now owned by Modeling Actuarial Pricing Systems, Inc. ("MAPS"). The expected future cash flow forecasts derived from this probabilistic analysis, in relation to our investment cost basis, provides us with an expected internal rate of return on our portfolio. As of September 30, 2016, the expected internal rate of return on our portfolio of life insurance assets was 11.65%.

We seek to further enhance our understanding of our expected future cash flow forecast by applying a stochastic analysis, sometimes referred to as a "Monte Carlo simulation," to provide us with a greater understanding of the variability of our future cash flow projections. The stochastic analysis we perform is built within the MAPS actuarial software and provides internal rate of return calculations for different statistical confidence intervals. The results of our stochastic analysis, in which we run 10,000 random mortality scenarios, demonstrates that the scenario ranking at the 50th percentile of all 10,000 results generates an internal rate of return of 11.65% which is equal to our expected internal rate of return of 11.65%. The stochastic analysis results also reveal that our portfolio is expected to generate an internal rate of return of 11.06% or better in 75% of all generated scenarios; and an internal rate of return of 10.57% or better in 90% of all generated scenarios. As the portfolio continues to grow, all else equal, the percentage of observations that result in an internal rate of return at or very near 11.65% (currently our median, or 50th percentile, internal rate of return expectation) is expected to increase, thereby lowering future cash flow volatility and potentially justifying our use of lower discount rates to value our portfolio.

In sum, we believe our statistical analyses show that, if we can continue to grow and maintain our investments in life insurance assets, then, in the absence of significant negative events, including but not limited to events impacting longevity and credit risk, and interest rate and financing risk, those investments will provide superior risk-adjusted returns for our company and provide us with the means to generate attractive returns for our investors.

Portfolio Information

Our portfolio of life insurance policies owned by our subsidiaries as of September 30, 2016 is summarized below:

Total portfolio face value of contract benefits	$ 1,272,078,000	
Average face value per contract	$ 2,035,000	
Average face value per insured life	$ 2,263,000	
Weighted average age of insured (yrs.)*	81.8	
Weighted average life expectancy estimate (yrs.)*	6.8	
Total number of contracts	625	
Number of unique lives	562	
Demographics	73% Males; 27% Females	
Number of smokers	24	
Largest contract as % of total portfolio	0.79	%
Average contract as % of total portfolio	0.16	%
Average annual premium as % of face value	3.33	%

Our portfolio of life insurance policies, owned by our subsidiaries as of September 30, 2016, and organized by the insured's current age and the associated policy benefits, is summarized below:

						Percentage of Total			
Min Age	Max Age	Contracts	Contract Benefits		Wtd. Avg. Life Expectancy (yrs.)	Number of Contracts		Contract Benefits	
90	96	55	$	105,815,000	2.4	8.8	%	8.3	%
85	89	155	$	331,989,000	4.8	24.8	%	26.1	%
80	84	152	$	385,904,000	6.7	24.3	%	30.3	%
75	79	115	$	251,466,000	9.2	18.4	%	19.8	%
70	74	87	$	120,791,000	9.8	13.9	%	9.5	%
65	69	61	$	76,113,000	10.1	9.8	%	6.0	%
Total		625	$	1,272,078,000	6.8	100.0	%	100.0	%

Our portfolio of life insurance policies, owned by our subsidiaries as of September 30, 2016, and organized by the insured's estimated life expectancy estimates and associated policy benefits, is summarized below:

					Percentage of Total			
Min LE (Months)	Max LE (Months)	Contracts	Contract Benefits		Number of Contracts		Contract Benefits	
6	47	160	$	275,036,000	25.6	%	21.6	%
48	71	145		300,501,000	23.2	%	23.6	%
72	95	112		249,118,000	17.9	%	19.6	%
96	119	97		223,012,000	15.5	%	17.6	%
120	143	63		134,822,000	10.1	%	10.6	%
144	202	48		89,589,000	7.7	%	7.0	%
Total		625	$	1,272,078,000	100.0	%	100.0	%

We track concentrations of pre-existing medical conditions among insured individuals within our portfolio based on information contained in life expectancy reports. We track these medical conditions within the following ten primary disease categories: (1) cancer, (2) cardiovascular, (3) cerebrovascular, (4) dementia, (5) diabetes, (6) multiple, (7) neurological disorders, (8) no disease, (9) other, and (10) respiratory diseases. Our primary disease categories are summary generalizations based on the ICD-9 codes we track on each insured individuals within our portfolio. ICD-9 codes, published by the World Health Organization, are used worldwide for medical diagnoses and treatment systems, as well as morbidity and mortality statistics. Currently, the only primary disease category within our portfolio that represents a concentration of over 10% is cardiovascular, which constitutes 21.93% of the face amount of insured benefits of our portfolio as at September 30, 2016.

The complete detail of our portfolio of life insurance policies, owned by our subsidiaries as of September 30, 2016, organized by the current age of the insured and the associated policy benefits, sex, estimated life expectancy, issuing insurance carrier, and the credit rating of the issuing insurance carrier, is set forth below.

Life Insurance Portfolio Detail
(as of September 30, 2016)

	Face Amount		Gender	Age (ALB)[(1)]	LE (mo.)[(2)]	Insurance Company	S&P Rating
1	$	1,100,000	Male	96	17	Reliastar Life Insurance Company	A
2	$	184,000	Male	95	38	Reliastar Life Insurance Company	A
3	$	219,000	Male	95	38	Reliastar Life Insurance Company	A
4	$	8,000,000	Female	95	14	Massachusetts Mutual Life Insurance Company	AA+
5	$	4,000,000	Male	95	25	Metropolitan Life Insurance Company	A+
6	$	1,500,000	Female	95	24	Accordia Life and Annuity Company	A-
7	$	3,200,000	Male	95	15	West Coast Life Insurance Company	AA-
8	$	1,000,000	Female	94	22	Transamerica Life Insurance Company	AA-
9	$	250,000	Male	94	23	North American Company for Life and Health Insurance	A+
10	$	264,000	Female	94	11	Lincoln Benefit Life Company	BBB+
11	$	125,000	Female	94	6	Lincoln National Life Insurance Company	AA-
12	$	3,500,000	Male	93	29	Reliastar Life Insurance Company	A
13	$	500,000	Male	93	7	John Hancock Life Insurance Company (U.S.A.)	AA-
14	$	2,000,000	Female	93	7	Pruco Life Insurance Company	AA-
15	$	500,000	Female	93	41	Sun Life Assurance Company of Canada (U.S.)	AA-
16	$	250,000	Male	93	7	Transamerica Life Insurance Company	AA-
17	$	1,682,773	Female	92	40	Hartford Life and Annuity Insurance Company	BBB+
18	$	572,429	Female	92	26	Reliastar Life Insurance Company	A
19	$	3,000,000	Male	92	31	West Coast Life Insurance Company	AA-
20	$	500,000	Female	92	55	John Hancock Life Insurance Company (U.S.A.)	AA-
21	$	5,000,000	Female	92	43	American General Life Insurance Company	A+
22	$	400,000	Female	92	59	Principal Life Insurance Company	A+
23	$	5,000,000	Female	92	23	John Hancock Life Insurance Company (U.S.A.)	AA-
24	$	1,000,000	Female	92	26	Lincoln National Life Insurance Company	AA-
25	$	300,000	Female	92	17	West Coast Life Insurance Company	AA-
26	$	3,845,000	Female	92	36	Pacific Life Insurance Company	A+
27	$	500,000	Male	91	40	Massachusetts Mutual Life Insurance Company	AA+
28	$	5,000,000	Male	91	23	John Hancock Life Insurance Company (U.S.A.)	AA-
29	$	500,000	Female	91	15	Lincoln National Life Insurance Company	AA-
30	$	3,500,000	Female	91	62	John Hancock Life Insurance Company (U.S.A.)	AA-
31	$	3,100,000	Female	91	25	Lincoln Benefit Life Company	BBB+
32	$	1,500,000	Female	91	54	Lincoln National Life Insurance Company	AA-
33	$	3,000,000	Female	91	25	Lincoln National Life Insurance Company	AA-
34	$	5,000,000	Female	91	31	Reliastar Life Insurance Company	A
35	$	5,000,000	Female	91	12	Lincoln National Life Insurance Company	AA-
36	$	500,000	Male	91	41	Reliastar Life Insurance Company	A

37	$	1,000,000	Male	91	7	Voya Retirement Insurance and Annuity Company	A
38	$	1,203,520	Male	91	33	Columbus Life Insurance Company	AA
39	$	1,350,000	Female	91	27	Lincoln National Life Insurance Company	AA-
40	$	600,000	Female	91	15	Columbus Life Insurance Company	AA
41	$	5,000,000	Female	90	38	Massachusetts Mutual Life Insurance Company	AA+
42	$	2,500,000	Female	90	38	American General Life Insurance Company	A+
43	$	2,500,000	Male	90	45	Pacific Life Insurance Company	A+
44	$	1,000,000	Female	90	40	United of Omaha Life Insurance Company	AA-

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	Face Amount	Gender	Age (ALB)(1)	LE (mo.)(2)	Insurance Company	S&P Rating
45	$ 375,000	Male	90	33	Lincoln National Life Insurance Company	AA-
46	$ 1,103,922	Female	90	51	Sun Life Assurance Company of Canada (U.S.)	AA-
47	$ 1,000,000	Female	90	54	Transamerica Life Insurance Company	AA-
48	$ 250,000	Female	90	54	Transamerica Life Insurance Company	AA-
49	$ 500,000	Female	90	34	Transamerica Life Insurance Company	AA-
50	$ 2,500,000	Female	90	4	AXA Equitable Life Insurance Company	A+
51	$ 2,500,000	Female	90	4	AXA Equitable Life Insurance Company	A+
52	$ 500,000	Female	90	27	Nationwide Life and Annuity Insurance Company	A+
53	$ 715,000	Female	90	45	Lincoln National Life Insurance Company	AA-
54	$ 2,225,000	Female	90	74	Transamerica Life Insurance Company	AA-
55	$ 3,500,000	Female	90	32	Lincoln National Life Insurance Company	AA-
56	$ 1,000,000	Female	89	45	Metropolitan Life Insurance Company	A+
57	$ 248,859	Female	89	25	Lincoln National Life Insurance Company	AA-
58	$ 500,000	Female	89	57	Sun Life Assurance Company of Canada (U.S.)	AA-
59	$ 250,000	Male	89	60	Metropolitan Life Insurance Company	A+
60	$ 4,000,000	Female	89	61	Transamerica Life Insurance Company	AA-
61	$ 5,000,000	Male	89	42	AXA Equitable Life Insurance Company	A+
62	$ 1,200,000	Male	89	42	Massachusetts Mutual Life Insurance Company	AA+
63	$ 1,200,000	Male	89	42	Massachusetts Mutual Life Insurance Company	AA+
64	$ 1,050,000	Male	89	34	John Hancock Life Insurance Company (U.S.A.)	AA-
65	$ 3,000,000	Male	89	85	Transamerica Life Insurance Company	AA-
66	$ 1,000,000	Male	89	44	AXA Equitable Life Insurance Company	A+
67	$ 500,000	Male	89	52	Lincoln National Life Insurance Company	AA-
68	$ 4,785,380	Female	89	32	John Hancock Life Insurance Company (U.S.A.)	AA-
69	$ 1,803,455	Female	89	55	Metropolitan Life Insurance Company	A+
70	$ 1,529,270	Female	89	55	Metropolitan Life Insurance Company	A+
71	$ 800,000	Male	89	54	Lincoln National Life Insurance Company	AA-
72	$ 5,000,000	Male	89	41	John Hancock Life Insurance Company (U.S.A.)	AA-
73	$ 500,000	Female	89	41	Transamerica Life Insurance Company	AA-
74	$ 400,000	Female	89	41	Lincoln Benefit Life Company	BBB+
75	$ 3,000,000	Female	89	70	Massachusetts Mutual Life Insurance Company	AA+
76	$ 200,000	Male	89	40	Lincoln Benefit Life Company	BBB+
77	$ 4,445,467	Male	89	47	Penn Mutual Life Insurance Company	A+
78	$ 1,500,000	Male	89	35	Union Central Life Insurance Company	A+
79	$ 7,500,000	Male	89	39	Lincoln National Life Insurance Company	AA-
80	$ 3,600,000	Female	89	54	AXA Equitable Life Insurance Company	A+
81	$ 3,000,000	Male	89	33	Lincoln National Life Insurance Company	AA-
82	$ 2,000,000	Male	89	36	John Hancock Life Insurance Company (U.S.A.)	AA-
83	$ 100,000	Female	89	46	American General Life Insurance Company	A+
84	$ 100,000	Female	89	46	American General Life Insurance Company	A+
85	$ 396,791	Male	89	26	Lincoln National Life Insurance Company	AA-
86	$ 1,500,000	Male	89	93	Transamerica Life Insurance Company	AA-
87	$ 1,000,000	Male	88	45	John Hancock Life Insurance Company (U.S.A.)	AA-

88	$ 2,000,000	Male	88	45	John Hancock Life Insurance Company (U.S.A.)	AA-
89	$ 5,000,000	Male	88	41	Lincoln National Life Insurance Company	AA-
90	$ 5,000,000	Female	88	27	Transamerica Life Insurance Company	AA-
91	$ 3,000,000	Male	88	36	Transamerica Life Insurance Company	AA-
92	$ 1,200,000	Male	88	62	Transamerica Life Insurance Company	AA-
93	$ 6,000,000	Female	88	46	Sun Life Assurance Company of Canada (U.S.)	AA-

	Face Amount		Gender	Age (ALB)(1)	LE (mo.)(2)	Insurance Company	S&P Rating
94	$	250,000	Male	88	40	Wilton Reassurance Life Insurance Company	N/A
95	$	330,000	Male	88	60	AXA Equitable Life Insurance Company	A+
96	$	175,000	Male	88	60	Metropolitan Life Insurance Company	A+
97	$	335,000	Male	88	60	Metropolitan Life Insurance Company	A+
98	$	3,000,000	Male	88	65	AXA Equitable Life Insurance Company	A+
99	$	2,000,000	Female	88	40	Beneficial Life Insurance Company	N/A
100	$	250,000	Female	88	40	John Hancock Life Insurance Company (U.S.A.)	AA-
101	$	1,000,000	Female	88	30	New York Life Insurance Company	AA+
102	$	1,250,000	Male	88	27	Columbus Life Insurance Company	AA
103	$	300,000	Male	88	27	Columbus Life Insurance Company	AA
104	$	10,000,000	Female	88	61	West Coast Life Insurance Company	AA-
105	$	2,500,000	Male	88	37	Transamerica Life Insurance Company	AA-
106	$	8,500,000	Male	88	68	Massachusetts Mutual Life Insurance Company	AA+
107	$	1,000,000	Female	88	41	West Coast Life Insurance Company	AA-
108	$	2,000,000	Female	88	41	West Coast Life Insurance Company	AA-
109	$	500,000	Female	88	45	Beneficial Life Insurance Company	N/A
110	$	800,000	Male	88	44	National Western Life Insurance Company	A
111	$	1,269,017	Male	88	25	Hartford Life and Annuity Insurance Company	BBB+
112	$	5,000,000	Male	88	68	Lincoln National Life Insurance Company	AA-
113	$	4,513,823	Female	88	18	Accordia Life and Annuity Company	A-
114	$	2,000,000	Male	88	78	Security Life of Denver Insurance Company	A
115	$	2,000,000	Male	88	78	Security Life of Denver Insurance Company	A
116	$	2,000,000	Male	88	78	Security Life of Denver Insurance Company	A
117	$	309,000	Male	88	27	Transamerica Life Insurance Company	AA-
118	$	2,000,000	Female	88	64	U.S. Financial Life Insurance Company	A+
119	$	1,365,000	Female	87	82	Transamerica Life Insurance Company	AA-
120	$	1,000,000	Female	87	76	Security Life of Denver Insurance Company	A
121	$	200,000	Female	87	75	Lincoln National Life Insurance Company	AA-
122	$	1,000,000	Male	87	38	Sun Life Assurance Company of Canada (U.S.)	AA-
123	$	1,000,000	Male	87	29	Massachusetts Mutual Life Insurance Company	AA+
124	$	1,000,000	Female	87	19	State Farm Life Insurance Company	AA-
125	$	2,000,000	Male	87	85	Transamerica Life Insurance Company	AA-
126	$	209,176	Male	87	81	Lincoln National Life Insurance Company	AA-
127	$	2,328,547	Male	87	34	Metropolitan Life Insurance Company	A+
128	$	2,000,000	Male	87	34	Metropolitan Life Insurance Company	A+
129	$	1,000,000	Male	87	23	Transamerica Life Insurance Company	AA-
130	$	500,000	Male	87	69	Metropolitan Life Insurance Company	A+
131	$	750,000	Female	87	71	Lincoln National Life Insurance Company	AA-
132	$	1,500,000	Female	87	71	Lincoln National Life Insurance Company	AA-
133	$	400,000	Female	87	71	Lincoln National Life Insurance Company	AA-
134	$	1,250,000	Female	87	71	Lincoln National Life Insurance Company	AA-
135	$	2,000,000	Male	87	50	Lincoln National Life Insurance Company	AA-
136	$	3,000,000	Female	87	54	Transamerica Life Insurance Company	AA-
137	$	347,211	Male	87	30	Pruco Life Insurance Company	AA-
138	$	1,800,000	Male	87	41	John Hancock Life Insurance Company (U.S.A.)	AA-

139	$	2,000,000	Male	87	51	AXA Equitable Life Insurance Company	A+
140	$	1,750,000	Male	87	51	AXA Equitable Life Insurance Company	A+
141	$	4,000,000	Male	87	41	Metropolitan Life Insurance Company	A+
142	$	2,000,000	Male	87	25	Transamerica Life Insurance Company	AA-

	Face Amount		Gender	Age (ALB)[(1)]	LE (mo.)[(2)]	Insurance Company	S&P Rating
143	$	1,425,000	Male	87	63	John Hancock Life Insurance Company (U.S.A.)	AA-
144	$	1,500,000	Male	87	48	AXA Equitable Life Insurance Company	A+
145	$	1,500,000	Male	86	27	Transamerica Life Insurance Company	AA-
146	$	1,500,000	Female	86	96	Lincoln Benefit Life Company	BBB+
147	$	3,750,000	Male	86	63	AXA Equitable Life Insurance Company	A+
148	$	2,000,000	Male	86	43	Metropolitan Life Insurance Company	A+
149	$	3,000,000	Male	86	43	Metropolitan Life Insurance Company	A+
150	$	1,000,000	Male	86	29	John Hancock Life Insurance Company (U.S.A.)	AA-
151	$	2,000,000	Female	86	73	AXA Equitable Life Insurance Company	A+
152	$	1,000,000	Male	86	43	Security Life of Denver Insurance Company	A
153	$	3,000,000	Female	86	71	Sun Life Assurance Company of Canada (U.S.)	AA-
154	$	125,000	Male	86	53	Jackson National Life Insurance Company	AA
155	$	1,500,000	Male	86	66	AXA Equitable Life Insurance Company	A+
156	$	1,000,000	Male	86	45	AXA Equitable Life Insurance Company	A+
157	$	5,000,000	Male	86	75	Security Life of Denver Insurance Company	A
158	$	1,500,000	Male	86	38	Reliastar Life Insurance Company	A
159	$	1,500,000	Male	86	38	Reliastar Life Insurance Company	A
160	$	5,000,000	Male	86	60	Security Life of Denver Insurance Company	A
161	$	500,000	Male	86	31	Genworth Life Insurance Company	BB
162	$	1,980,000	Male	86	40	New York Life Insurance Company	AA+
163	$	1,000,000	Male	86	36	John Hancock Life Insurance Company (U.S.A.)	AA-
164	$	500,000	Male	86	39	New England Life Insurance Company	AA-
165	$	4,000,000	Female	86	41	Reliastar Life Insurance Company	A
166	$	284,924	Male	86	51	Transamerica Life Insurance Company	AA-
167	$	5,000,000	Female	86	80	American General Life Insurance Company	A+
168	$	500,000	Female	86	25	Transamerica Life Insurance Company	AA-
169	$	3,500,000	Female	86	95	Lincoln Benefit Life Company	BBB+
170	$	800,000	Male	86	40	Metropolitan Life Insurance Company	A+
171	$	5,000,000	Female	85	88	AXA Equitable Life Insurance Company	A+
172	$	1,000,000	Female	85	71	John Hancock Life Insurance Company (U.S.A.)	AA-
173	$	6,000,000	Female	85	98	American General Life Insurance Company	A+
174	$	5,000,000	Male	85	53	AXA Equitable Life Insurance Company	A+
175	$	1,433,572	Male	85	44	Security Mutual Life Insurance Company of NY	N/A
176	$	2,000,000	Male	85	42	National Life Insurance Company	A
177	$	1,000,000	Female	85	34	Metropolitan Life Insurance Company	A+
178	$	2,147,816	Female	85	107	John Hancock Life Insurance Company (U.S.A.)	AA-
179	$	4,200,000	Female	85	105	Transamerica Life Insurance Company	AA-
180	$	750,000	Male	85	75	West Coast Life Insurance Company	AA-
181	$	4,000,000	Male	85	26	John Hancock Life Insurance Company (U.S.A.)	AA-
182	$	1,000,000	Male	85	65	John Hancock Life Insurance Company (U.S.A.)	AA-
183	$	2,000,000	Female	85	86	Lincoln Benefit Life Company	BBB+

184	$	2,000,000	Female	85	62	New York Life Insurance Company	AA+
185	$	5,000,000	Male	85	62	Lincoln National Life Insurance Company	AA-
186	$	2,400,000	Male	85	27	Genworth Life Insurance Company	BB
187	$	3,000,000	Male	85	80	Transamerica Life Insurance Company	AA-
188	$	8,500,000	Male	85	93	John Hancock Life Insurance Company (U.S.A.)	AA-
189	$	600,000	Male	85	88	AXA Equitable Life Insurance Company	A+
190	$	7,600,000	Female	85	85	Transamerica Life Insurance Company	AA-
191	$	250,000	Male	85	18	Midland National Life Insurance Company	A+

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	Face Amount		Gender	Age (ALB)(1)	LE (mo.)(2)	Insurance Company	S&P Rating
192	$	250,000	Male	85	41	Transamerica Life Insurance Company	AA-
193	$	2,500,000	Female	85	58	American General Life Insurance Company	A+
194	$	2,500,000	Male	85	47	AXA Equitable Life Insurance Company	A+
195	$	3,000,000	Male	85	47	Lincoln National Life Insurance Company	AA-
196	$	2,000,000	Male	85	73	Pacific Life Insurance Company	A+
197	$	7,600,000	Male	85	89	Transamerica Life Insurance Company	AA-
198	$	3,000,000	Female	85	36	AXA Equitable Life Insurance Company	A+
199	$	250,000	Male	85	68	Voya Retirement Insurance and Annuity Company	A
200	$	1,800,000	Female	85	50	Lincoln National Life Insurance Company	AA-
201	$	1,703,959	Male	85	58	Lincoln National Life Insurance Company	AA-
202	$	3,000,000	Male	85	49	Metropolitan Life Insurance Company	A+
203	$	500,000	Male	85	11	Great Southern Life Insurance Company	N/A
204	$	2,247,450	Female	85	49	Transamerica Life Insurance Company	AA-
205	$	1,000,000	Male	85	46	Hartford Life and Annuity Insurance Company	BBB+
206	$	400,000	Male	85	39	Transamerica Life Insurance Company	AA-
207	$	1,000,000	Male	85	81	Lincoln National Life Insurance Company	AA-
208	$	1,000,000	Male	85	51	Metropolitan Life Insurance Company	A+
209	$	3,500,000	Male	85	54	Pacific Life Insurance Company	A+
210	$	2,500,000	Male	85	54	AXA Equitable Life Insurance Company	A+
211	$	10,000,000	Male	84	116	Pacific Life Insurance Company	A+
212	$	87,677	Female	84	47	Protective Life Insurance Company	AA-
213	$	1,000,000	Male	84	51	Texas Life Insurance Company	N/A
214	$	500,000	Male	84	92	Metropolitan Life Insurance Company	A+
215	$	1,000,000	Male	84	57	Lincoln National Life Insurance Company	AA-
216	$	3,000,000	Male	84	30	U.S. Financial Life Insurance Company	A+
217	$	325,000	Male	84	53	Genworth Life and Annuity Insurance Company	BB
218	$	175,000	Male	84	53	Genworth Life and Annuity Insurance Company	BB
219	$	850,000	Male	84	48	American General Life Insurance Company	A+
220	$	600,000	Male	84	61	Massachusetts Mutual Life Insurance Company	AA+
221	$	1,900,000	Male	84	54	American National Insurance Company	A
222	$	500,000	Male	84	35	New York Life Insurance Company	AA+
223	$	500,000	Male	84	35	New York Life Insurance Company	AA+
224	$	5,000,000	Male	84	46	AXA Equitable Life Insurance Company	A+
225	$	385,000	Male	84	62	Metropolitan Life Insurance Company	A+
226	$	500,000	Male	84	62	Metropolitan Life Insurance Company	A+
227	$	75,000	Male	84	39	Fidelity and Guaranty Insurance Company	BBB-
228	$	10,000,000	Male	84	62	Lincoln National Life Insurance Company	AA-
229	$	1,500,000	Male	84	67	Lincoln National Life Insurance Company	AA-
230	$	250,000	Male	84	41	The Ohio State Life Insurance Company	N/A
231	$	3,500,000	Female	84	77	AXA Equitable Life Insurance Company	A+
232	$	1,000,000	Female	84	89	West Coast Life Insurance Company	AA-
233	$	1,000,000	Female	84	66	American General Life Insurance Company	A+
234	$	5,000,000	Female	84	65	Sun Life Assurance Company of Canada (U.S.)	AA-
235	$	3,000,000	Female	84	57	Metropolitan Life Insurance Company	A+
236	$	750,000	Male	84	67	John Hancock Life Insurance Company (U.S.A.)	AA-

237	$	4,500,000	Male	84	61	AXA Equitable Life Insurance Company	A+
238	$	1,250,000	Female	84	51	Columbus Life Insurance Company	AA
239	$	2,275,000	Male	84	80	Reliastar Life Insurance Company	A
240	$	10,000,000	Male	84	72	AXA Equitable Life Insurance Company	A+

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	Face Amount	Gender	Age (ALB)[1]	LE (mo.)[2]	Insurance Company	S&P Rating
241	$ 340,000	Female	84	75	Jackson National Life Insurance Company	AA
242	$ 2,300,000	Male	84	13	American General Life Insurance Company	A+
243	$ 3,500,000	Male	84	60	AXA Equitable Life Insurance Company	A+
244	$ 6,217,200	Female	84	94	Phoenix Life Insurance Company	B+
245	$ 2,500,000	Female	84	62	Reliastar Life Insurance Company	A
246	$ 5,000,000	Female	84	48	Massachusetts Mutual Life Insurance Company	AA+
247	$ 1,275,000	Male	84	44	General American Life Insurance Company	A+
248	$ 2,000,000	Female	84	86	Lincoln National Life Insurance Company	AA-
249	$ 1,000,000	Male	84	41	American General Life Insurance Company	A+
250	$ 750,000	Male	84	78	AXA Equitable Life Insurance Company	A+
251	$ 5,000,000	Male	84	71	Lincoln National Life Insurance Company	AA-
252	$ 3,000,000	Male	83	56	Protective Life Insurance Company	AA-
253	$ 1,500,000	Male	83	56	American General Life Insurance Company	A+
254	$ 2,000,000	Female	83	94	Transamerica Life Insurance Company	AA-
255	$ 1,500,000	Male	83	61	Pacific Life Insurance Company	A+
256	$ 2,000,000	Male	83	75	New York Life Insurance Company	AA+
257	$ 5,000,000	Male	83	97	American General Life Insurance Company	A+
258	$ 250,000	Male	83	132	Reliastar Life Insurance Company	A
259	$ 1,995,000	Female	83	69	Transamerica Life Insurance Company	AA-
260	$ 4,000,000	Male	83	46	Lincoln National Life Insurance Company	AA-
261	$ 10,000,000	Male	83	69	New York Life Insurance Company	AA+
262	$ 1,000,000	Male	83	59	Hartford Life and Annuity Insurance Company	BBB+
263	$ 1,000,000	Male	83	59	Jackson National Life Insurance Company	AA
264	$ 417,300	Male	83	90	Jackson National Life Insurance Company	AA
265	$ 5,000,000	Male	83	68	Transamerica Life Insurance Company	AA-
266	$ 2,000,000	Male	83	59	Ohio National Life Assurance Corporation	AA-
267	$ 1,000,000	Male	83	59	Ohio National Life Assurance Corporation	AA-
268	$ 500,000	Female	83	92	AXA Equitable Life Insurance Company	A+
269	$ 350,000	Male	83	26	Jackson National Life Insurance Company	AA
270	$ 5,000,000	Female	82	68	Security Mutual Life Insurance Company of NY	N/A
271	$ 5,000,000	Male	82	80	AXA Equitable Life Insurance Company	A+
272	$ 6,000,000	Male	82	96	Transamerica Life Insurance Company	AA-
273	$ 8,000,000	Male	82	73	AXA Equitable Life Insurance Company	A+
274	$ 850,000	Female	82	89	Zurich Life Insurance Company	AA-
275	$ 550,000	Male	82	106	Genworth Life Insurance Company	BB
276	$ 500,000	Male	82	54	West Coast Life Insurance Company	AA-
277	$ 1,680,000	Female	82	59	AXA Equitable Life Insurance Company	A+
278	$ 1,000,000	Female	82	86	Lincoln National Life Insurance Company	AA-
279	$ 1,250,000	Male	82	89	Metropolitan Life Insurance Company	A+
280	$ 3,000,000	Female	82	61	AXA Equitable Life Insurance Company	A+
281	$ 1,000,000	Male	82	55	AXA Equitable Life Insurance Company	A+
282	$ 1,250,000	Female	82	75	Principal Life Insurance Company	A+
283	$ 1,000,000	Male	82	47	AXA Equitable Life Insurance Company	A+
284	$ 1,500,000	Male	82	60	Lincoln Benefit Life Company	BBB+
285	$ 700,000	Male	82	91	Banner Life Insurance Company	AA-
286	$ 3,000,000	Male	82	88	John Hancock Life Insurance Company (U.S.A.)	AA-
287	$ 10,000,000	Male	82	60	Hartford Life and Annuity Insurance Company	BBB+

288	$	1,750,000	Male	82	72	AXA Equitable Life Insurance Company	A+
289	$	5,000,000	Male	82	62	AXA Equitable Life Insurance Company	A+

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	Face Amount		Gender	Age (ALB)(1)	LE (mo.)(2)	Insurance Company	S&P Rating
290	$	300,000	Female	82	64	Hartford Life and Annuity Insurance Company	BBB+
291	$	250,000	Male	82	70	American General Life Insurance Company	A+
292	$	3,500,000	Male	82	76	Metropolitan Life Insurance Company	A+
293	$	2,502,000	Male	82	136	Transamerica Life Insurance Company	AA-
294	$	10,000,000	Male	82	102	John Hancock Life Insurance Company (U.S.A.)	AA-
295	$	250,000	Female	82	93	Accordia Life and Annuity Company	A-
296	$	3,000,000	Male	82	115	Principal Life Insurance Company	A+
297	$	1,700,000	Male	82	54	Lincoln National Life Insurance Company	AA-
298	$	1,210,000	Male	82	56	Lincoln National Life Insurance Company	AA-
299	$	3,000,000	Female	82	96	West Coast Life Insurance Company	AA-
300	$	7,000,000					