

SABES STEVEN F

Form 4

April 30, 2019

FORM 4
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
SABES STEVEN F

(Last) (First) (Middle)

220 SOUTH SIXTH STREET,
SUITE 1200

(Street)

MINNEAPOLIS, MN 55402

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
GWG Holdings, Inc. [GWGH]

3. Date of Earliest Transaction
(Month/Day/Year)
03/26/2019

4. If Amendment, Date Original
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

☐ Director ☐ 10% Owner
☒ Officer (give title below) ☐ Other (specify
below)

Exec VP & Secretary

6. Individual or Joint/Group Filing(Check
Applicable Line)
☒ Form filed by One Reporting Person
☐ Form filed by More than One Reporting
Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock, \$.001 par value	03/26/2019		G	V 50,000	D \$ 0 854,195	D	
Common Stock, \$.001 par value	04/26/2019		J ⁽³⁾	854,195	D <u>(3)</u> 0	D	
Common Stock, \$.001 par value	04/26/2019		J ⁽³⁾	1,072,382	D <u>(3)</u> 0	I	By SFS Holdings, LLC ⁽¹⁾

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Common Stock, \$.001 par value	04/26/2019	J ⁽³⁾	100,000	D	\$ 0	0	I	By Insurance Strategies Fund, LLC ⁽²⁾
Common Stock, \$.001 par value	04/26/2019	J ⁽³⁾	2,026,577	A	<u>(3)</u>	2,026,577	I	Sabes AV Holdings, LLC ⁽⁴⁾
Common Stock, \$.001 par value	04/26/2019	J ⁽⁵⁾	2,026,577	D	<u>(5)</u>	0	I	Sabes AV Holdings, LLC ⁽³⁾

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. D S (I)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (right to buy)	\$ 6.6	04/26/2019		J ⁽⁶⁾	1,667	12/29/2018	12/29/2020	Common Stock, \$.001 par value	1,667
Stock Option (right to buy)	\$ 6.35	04/26/2019		J ⁽⁶⁾	1,666	04/29/2019	04/29/2021	Common Stock, \$.001 par value	1,666
Stock Option (right to buy)	\$ 6.41	04/26/2019		J ⁽⁶⁾	1,667	05/13/2019	05/13/2021	Common Stock, \$.001 par value	1,667

Stock Options (right to buy)	\$ 9.64	04/26/2019	J ⁽⁶⁾	3,333	⁽⁷⁾	09/19/2021	Common Stock, \$.001 par value	3,333
Stock Options (right to buy)	\$ 10.38	04/26/2019	J ⁽⁶⁾	3,333	⁽⁸⁾	04/18/2022	Common Stock, \$.001 par value	3,333

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SABES STEVEN F 220 SOUTH SIXTH STREET, SUITE 1200 MINNEAPOLIS, MN 55402	X		Exec VP & Secretary	

Signatures

/s/ Craig Opp, as Attorney-in-fact for Steven F. Sabes

04/30/2019

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) A Nevada limited liability company, of which the Reporting Person is sole manager.

A Delaware limited liability company managed by ISF Management, LLC, a Delaware limited liability company, of which the Reporting Person is a manager. The Reporting Person disclaims beneficial ownership of the shares held by Insurance Strategies Fund, LLC, except to the extent of his pecuniary interest therein, and the inclusion of these shares in this report shall not be deemed an admission of beneficial ownership of all the reported shares for the purposes of Section 16 or for any other purpose.

(3) Pursuant to a Contribution and Exchange Agreement (the "Contribution Agreement"), dated April 11, 2019, by and among Sabes AV Holdings, LLC, a ("Sabes AV"), Jon R. Sabes, Jon Sabes 1992 Trust No. 1, Esther Sabes 6.08.1992 Trust F/B/O Jon R. Sabes, Moe Sabes 12.30.1982 Trust F/B/O Jon R. Sabes, Moe Sabes 12.30.1976 Trust F/B/O Jon R. Sabes, Jackson Sabes 1995 Trust, Brooke Sabes 1995 Trust, Morgan Sabes 2012 Trust, Kristine Sabes 2000 Trust, Insurance Strategies Fund, LLC, Steven F. Sabes and SFS Holdings, LLC (collectively, the "Shareholders"), the Shareholders contributed an aggregate of 3,952,155 shares of common stock of GWG Holdings, Inc. to Sabes AV.

(4) The Reporting Person serves as a manager of Sabes AV and shares voting and dispositive control over securities held by Sabes AV. The membership interests in Sabes AV are held by the Shareholders in proportion to their contribution to Sabes AV of shares of common stock of GWG Holdings, Inc. pursuant to the Contribution Agreement. The Reporting Person disclaims beneficial ownership over the shares of common stock of GWG Holdings, Inc. held by Sabes AV except to the extent of his pecuniary interest in such shares.

(5) Pursuant to a Purchase and Contribution Agreement (the "Purchase Agreement"), dated April 15, 2019, by and among Jon R. Sabes, Steven F. Sabes, Sabes AV, The Beneficient Company Group, L.P., Beneficient Company Holdings, L.P. ("BEN Holdings"), AltiVerse Capital Markets, L.L.C. ("AltiVerse"), Sabes AV sold 2,500,000 shares of common stock of GWG Holdings, Inc. to a wholly-owned subsidiary of BEN Holdings for \$25,000,000 in cash, and contributed 1,452,155 shares of common stock of GWG Holdings, Inc. to AltiVerse in exchange for equity interests in AltiVerse, which is an entity over which the Reporting Person does not have voting or dispositive control.

(6) This option was forfeited by the Reporting Person for no consideration as part of the transactions contemplated by the Purchase Agreement.

(7) 1667 shares are currently vested; 1,666 shares would have vested on 9/19/2019.

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(8) 1667 shares are currently vested; 1,666 shares would have vested on 4/18/2020.

Remarks:

Exhibit 24.1 Power of Attorney previously filed and incorporated herein by reference to Form 5 filed on 2/13/2019.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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