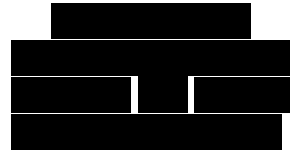


Re: Appeal to “Bar from Association with any FINRA member”  
CRD #2180626

Joseph Gordon Nelson

Matter # 2024 0832 80901



**Note: I do not live in California anymore. Please quit sending my mail to California**

To file an appeal for my FINRA License Termination, your January 20<sup>th</sup>, 2026 email states, give a “statement of alleged errors in the determination and the supporting reason.

I have **NO IDEA** what the alleged wrong doing I am charged with and convicted of by FINRA attorney Robert Lawner.

In a March 2025 phone conversation, he told me he was sending me a list of my clients and wanted information about my interactions and “GWG Bond presentations” to them. After my response he wanted to have a zoom meeting. Concurrently, I was applying to transfer my License to a reputable new Broker / Dealer. Having “Disclosures” and clients in 5 states I had to send explanation letters to each State Securities Department. The state approvals were granted by the beginning of May, 2025. The new B/D called me in May to inform me that everything was on hold, awaiting a call between the Chief Compliance Officer and Attorney Robert Lawner. This was approx. 2 months prior to our scheduled “Zoom hearing”. They spoke in June, and on June 3<sup>rd</sup>, because of that phone conversation, attorney Lawner got me terminated from that new Broker / Dealer. I have **NO IDEA** what I was accused of – but Lawner got me terminated!

**This is Outrageous !!! Fix your system and procedures !**

Since I don’t know the charge(s), review my client history and then tell me I’m a terrible Financial Advisor – my clients don’t think so. Several of my clients are very mad at Lawner.

### **Summary of GWG and Bankruptcy:**

My FINRA prosecution is the result of a company, GWG, filing for Bankruptcy Chapter 11, in February, 2022. This company issued non-exchange traded short term bonds to raise cash to purchase Senior’s Life Insurance Policies, to ultimately receive Tax-Free Revenue. Almost exclusively, I recommended and used 2-Year Bonds for my clients.

In the spring of 2021, GWG informed our Broker/Dealer that the SEC forbade them from issuing any new Bonds, including rollover requests, until their Financial Review was complete. That lasted until Thanksgiving, 2021. To pay out on maturing Bonds, they had to secure bank financing 1) this subordinated all existing Bond holders – not good; 2) they now had to pay bank interest of 12% ( I asked about the interest rate ), instead of 5.5%/ year on 2-year Bonds. Over \$300M of debt went from \$16.5M to over \$36M in yearly interest payments.

The B/D community talks to each other – In the spring of 2022, we learned that the SEC told 10 of the largest producing B/D’s to STOP using GWG Bonds at the end of 2021. As a result of all

of these actions, GWG did not have the cash to pay Bond dividends in January and February, 2022. They filed for Bankruptcy Chapter 11 in February, 2022. The cumulative effect of all of these actions could not have been known in the spring and summer of 2020. Yet these are the results that I am being prosecuted and convicted of.

We ( I and my family owned four GWG Bonds ) Bondholders should have received all of our investment money back over the next few years as the original policy holders died. It was Guaranteed Collateral and people die – they don't live forever.

Policy Collateral: Over \$2.2 Billion  
Total Debt: Approx \$ 1.8 Billion Things get way worse

The corrupt married Bankruptcy Judge turns GWG over to his Mistress, a Bankruptcy Trustee, to protect investors and close out GWG. GWG is grossing between \$100M - \$150Million per year from Life Insurance. She doesn't want to take care of us as Bondholders. In 2023, she sells GWG's over \$2 Billion of Life Policies for less than \$600 Million. We all lost all of our money!

That is NOT my fault – that is corruption !

If the Life policies had not been sold, we would be getting partial payments from GWG, and FINRA Attorney Robert Lawner would not have been investigating and "Sentencing" me before our "Zoom Hearing" in 2025.

### **My Background, GWG Bond Analysis and Actions:**

I have a Bachelor of Science Degree in Business Mgt – Finance. My occupation prior to getting Securities Licensed was Co-Owner and CFO of a Business Tax Consulting Firm for \$Billion Dollar businesses. One of our clients was the giant Buy-Out firm KKR ( Kohlberg Kravis Roberts ) who owned Safeway Grocery Stores and Fred Meyer Stores which we advised.

I KNOW HOW TO READ "FINANCIAL STATEMENTS" – including GWG's.

I was Securities Licensed in 1992.

Before agreeing to manage money for a client I go through the following:

How Bond and Bond Funds work vs. Banks and Bank CD's

In less than 4 minutes how the Stock Market works – Stocks, Stock Funds - and they get it  
Fees I get paid – how much, how often Annuities, Mutual Funds – A & C shares

When it's expedient to exchange from Stock Funds to Bond Funds, I don't want my clients to think the recommendation is to earn new fees. I don't earn new fees.

My job is to monitor the Economy and where it is headed in the near term.

I don't use "High Commission" Investments

Unless a client has at least \$400,000 in one registration, I use Direct Mutual Funds instead of using a Brokerage account. N/Q accts – free, IRA's - \$25/year vs Brokerage fees - \$150/year.

the summer of 1998, my clients had grown their Stock Fund ( Tech weighted ) assets substantially, and I thought Tech was in a giant bubble. I recommended we move all Tech money to Value Stock Funds – PIMCO’s Value fund went up over 220% in the next 4 years, while Tech was down between 60%.and 80%. I saved my clients from losses and made them lots of money.

Back in the Stock market, my clients were growing their assets from 1998 to the summer of 2006. But there was a big bubble developing in the Housing Market. Many Financial Advisors are oblivious as to how the economy works – yet hold themselves out to the public as “Investment Experts”. Many Advisors think Diversification saves money in Recessions – “when the tide goes out all boats sink lower”. People with less than \$1 million get burned – not my clients. For your information, the average investor making less than \$100,000 per year is in an effective Federal Tax rate of 8 – 12%. Buy and hold doesn’t help them – missing the big down turns, even after taxes, helps them a lot.

In the Summer of 2006, I held a special meeting with every client explaining how the ridiculously high home prices were going to eventually cause a very bad recession. I told them millions of people would abandon their homes and cause many banks to fail, and the stock market to crash. When I saw news relating to problems with Mortgage losses, falling home prices, etc., I would alert them and move from Stock Funds to Bond Funds and we would ride out the storm. That news came August 6<sup>th</sup>, 2007 – All but 3 of my clients wanted to move to Bond Fund safety. My clients earned 4.2% in 2008, verses a stock market down 40-50%. In December, 2008, “Real economic news” (I don’t mean TV business news) showed the recession bottoming. I began moving – with client approval – money back into the stock market.

My clients who had money in Oppenheimer Funds were telephone exchanged into Oppenheimer Developing Markets, and earned 89% in 2009. I protected my clients and then made them a lot of money.

I had positioned most of my client’s money into Tech Stock Funds and had 10 years of explosive Tech asset growth through 2019. In 2019 alone my clients earned 45% (Putnam) and 49% (Fidelity). By the middle of February, they were up another 12%. **Apple’s February 17<sup>th</sup>, 2020 public announcement: “Our factory in Wuhan, China is shut down...”** That’s where covid started !!! My research showed many US companies also had factories in that city. They would be financially harmed, and Apple slightly. My estimate was the “News shock” would cause the markets to drop between 25 & 30%. With my client’s permission, I moved money from stock funds to Bond Funds to lock in the huge gains. The markets went down approximately 30%.

Again, I had preserved big gains, and protected my clients from large market losses. We started moving back into Tech Stock funds that summer – gains of another 50+%.

**In the past 2 years, I had more than doubled my client’s Stock fund investments!**

In December, 2021, Fed Chairman Powell was reporting to Congress. The Fed had been buying \$80 Billion of Treasuries and \$40 Billion of Mortgage Bonds monthly - \$1.5 Trillion a year. When Powell was asked when “The Taper” would begin, he responded, “We started this month and we will be done buying bonds in March, 2022 – 4 months”. Understanding the implications, I knew that interest rates would go up and it would change the economy. Investors will have to pick up the slack to fund more government debt and mortgage money to buy homes.

Banks went from paying less than 0.25% interest on large CD’s to over 4%. Mortgages went from under 3% to over 5%. I called that correctly, and helped guide my clients appropriately.

I called all of my clients – Move out of Tech Stock Funds into Bond Funds, and buy some Gold and Silver. Gold from pawn shops and Franklin Gold Fund. **Note: As of February, 2026, Gold has more than doubled and silver has more than tripled. As you may be aware, I don’t earn money from pawn shops.** I’m taking care of my clients.

After moving my clients out of Tech Funds, they earned interest, while their former Tech Funds lost over 36%. Again, I saved my clients from losses and made them money.

I don’t ask my clients for referrals, yet I get lots of them – and the referrals call me to set up appointments. In 2020, I received 19 referrals, and 19 new clients. Obviously, I’m doing things right for my clients, and much better than most Financial Advisors. My clients like what I’m doing with their money, and they like me a lot. I was just doing my job, with knowledge and insight – **NOT like most Financial Advisors!**

**Attorney Lawner called my Client Lisa. Then she called me and said: “I don’t like that guy at all ! He’s just trying to get you in trouble. Be really careful what you say to him!”**

**Note: Lisa told me about Financials Lawner had told her. The numbers were not her and her husbands. Ex: Lisa never had a 401(k), but Mrs. Harnden had a 403(b), and had over \$1.5 million in assets. The numbers sounded like the Harnden’s.**

**FINRA Attorney Robert Lawner has been trying to get me kicked out of FINRA !**

**He scheduled a “Zoom Hearing” with me and before the hearing, called the new Broker/Dealer I was transferring my License to and told them NOT To Bring Me Over  
How could anyone defend themselves with that kind of Corruption !  
My Clients don’t like him at all.**

### **Interest Rates and GWG Short-term Bonds:**

I was never employed by GWG, and never gave them any advice. I am not responsible for their decisions and actions in any way. Again, I and my family are Bondholders – over \$70,000.

It is easy for me to ascertain an economic problem, or bubble developing- and understand the ramifications for investments. But I cannot foresee SEC actions and policy changes 2 years in advance. I use current facts that are available to make investment decisions. I fear in the case of GWG, Regulators have used “future” information not available in the spring and summer of 2020 to condemn us. Another FACT, GWG’s Financial Statements are not understood by most – they say, “GWG never made a profit, just years of losses. How could you recommend GWG with losses to clients?” GAAP rules were not understood by critics!

The process: A Broker/Dealer’s “Due Diligence Department” reviews investments for the B/D. After analysis, if this Department thinks the investment is profitable and safe for investors it is placed on “the Approved Product List”. Then, and only then can an Advisor present this to an investor. Over 250 Broker/Dealers went through this process and approved GWG Bonds. At least 10,000 Financial Advisors also looked at these Bonds and recommended them. I spent several hours reading the Prospectus of approximately 200 page, and quarterly 10K filings. Per these 2016 10K filings, their Collateral to Bond ratio was over 400%.

I was introduced to GWG Bonds at a B/D conference in 2014, and was not interested. Even though they had 2-Year Bonds paying 5.5% / year, they were **Not** Liquid. PIMCO Income Bond Fund was liquid and paid 4.6%. I had been using PIMCO and would continue. However, I began tracking GWG through their quarterly 10K reports. They were progressing with their Business Plan, and the dollar value of their Collateral was increasing substantially.

Meanwhile, in my opinion, the Fed was keeping interest rates artificially low. Savers everywhere complained about the low rates, including my clients. PIMCO’s dividend was dropping from 4.6% to the low 3’s, and Fidelity Advisor bond funds were dropping below a 2% dividend yield. In 2016, after many hours of my research, I began recommending GWG 2-year Bonds paying 5.5%, with lots of collateral.

These Bonds were safe but not Liquid. Therefore, I rated them as higher risk. I explained the illiquidity in detail to each client. GWG Bonds were NOT like a 2-year Bank CD that one could access by paying a penalty. Investors had to wait the 2 year period to access any money.

\*\*\* The 2 complaints that I got were from former clients who had existing 2020 Bonds that wouldn’t mature until 2022. I had recommended they rollover their Bonds in 2020, based on the most recent audited Financial Statements, the 3<sup>rd</sup> Quarter, 2019 and the 2019 year-end 10K reports. That 2019 year-end 10K filing became available in the end of April, 2020. In that filing, Collateral was over 200% to Bond debt, and no significant problems were showing on the horizon. New 2-year Bonds should be safe.

**That was the most recent INFORMATION available to make recommendations. Please, don’t look at subsequent information to judge my recommendations 2years prior.**

Because I was a bond holder, I also received close to 100 letters from ambulance chasing attorneys spewing “erroneous facts”. Ex: GWG had never made a profit, there was no collateral for the bonds, the company stopped buying Life Insurance Policies at the beginning of 2018, GWG invested in Mutual Fund “Fund of Fund” investments, etc. 3 Arbitrators that I personally witnessed, believed this garbage from a lying prosecuting attorney, and refused to listen to FACTS. GAAP rules were not understood by them, and meant nothing in their determinations. A timeline of information meant nothing. Current information available in November, 2021, was not available in the summer of 2020. Don’t blame us for not knowing the future !

### **Complaints and Disclosures:**

Complaint #1 Marriane Mackley along with 5 other investors sued the Broker/Dealer JRL Capital. She and her attorney claimed GWG was not a suitable Investment. “GWG never had a profit, and the Life Policies were NOT collateral for the Bonds” – False statements. GWG had valuable “Tax Loss Carryforwards. I was also named in the complaint, being one of Marriane Mackley’s former advisors.

I have already explained the factual information for recommending her GWG rollovers in 2020. The prosecuting attorney subpoenaed me for her Arbitration hearing. That was a joke. The 3 Arbitrators and attorney didn’t have a good enough accounting background to understand GWG’s situation. Her 2020 2-year bonds would mature in 2022, and were caught in the Bankruptcy. She had at least one other financial advisor. In December, 2021, she asked if I could get her a withdrawal form for an annuity, she had recently bought from her Chase Bank financial advisor – I complied, and we processed the form with a Medallion Signature Guarantee. She had sold her house and was moving to the Philippines with her 20 years younger new boyfriend. Per her attorney, “GWG’s assets were **NOT Collateral** for GWG’s Bonds”. That is one of the stupidest statements I’ve ever heard – in a hearing! And, the 3 Arbitrators believed him! After witnessing this stupidity, I understood why so many Advisors were all losing their arbitration hearings.

Complaint #2 Pete Wittenberg filed a complaint against me for the following:

Not suitable

Withholding Information – GWG quit buying Life Policies in 2018

Started a new Business Line

Invested in “Fund of Funds” Mutual Funds

I withheld and refused to have his GWG money sent to him

As previously stated, I also received attorney letters listing all of the millions of reasons why GWG Bonds should never be recommended. A complete paragraph from one of those letters was typed into Pete’s complaint. The whole paragraph was false. Ex: no more buying of life policies – In 2018 GWG bought over \$500 million of new policies plus replaced over \$100 million of matured policies, which increased policies to over \$2 Billion.

Pete's bond was set to mature in the spring of 2022. At maturity, it would pay out to Pete, unless a new rollover form was signed by Pete. In the late fall of 2021, Pete took over all of his investments and told me not to rollover his bond – I complied.

**\*\*\* If FINRA attorney Robert Lawner wants to accuse me of bad recommendations and/or miss-representation in 2020, show me in that 2019 10K report where I missed Negative information.  
Without negative information showing I should be acquitted, not prosecuted.**

**Resolution:**

The Broker/Dealer Due Diligence Department's analysis and monitoring did not show signs of GWG problems. My own monitoring of the most up to date financial data, SEC 10K filings through 12/31/2019 did not show problems. Therefore, in the spring and summer of 2020, both Pete and Marriane had GWG Bonds maturing. After speaking with them, rolling over their Bonds looked like the most optimal option. I recommended rolling them over verses moving the money to their existing PIMCO Income Bond Funds. PIMCO 3% vs GWG 5.5%.

Because so many advisors were losing their arbitration cases, I was not going to pay for something I did not do wrong. I spoke with the owner of my B/D in 2022 – 2023, telling him I could not afford the attorney fees – over \$5,000 one month, and that I was considering filing bankruptcy. He mentioned that he was considering the same for the Broker/Dealer.

For the prior 8 - 10 years I had no debt. Home, 2 cars for business, credit cards, all paid off. My B/D in 2007, Brookstreet Securities, filed bankruptcy owing me over \$8,000, and \$11-12,000 quarterly trails. Regulator fines Stan Brooks / Brookstreet \$10 million – Joe got \$-0-. Their spokesmodel told all of my clients to hurry and move their money to a new Broker / Dealer before they lost more money. That cost me over \$20 million in assets.

In 2016, Newport Coast Securities told us we were merging with Westpark Securities – a lie – so we all transferred our licenses. I've been through a merger before and we don't lose our pay. Newport filed bankruptcy and owed me \$17,000 for March, then just over \$20,000 for 1<sup>st</sup> Qtr. trails. I was paid \$-0-. Westpark wasn't set up to manage money, they did IPO's, and had a Brokerage Mgr. in Florida who encouraged us to churn accounts. It took them many months to get Mutual Fund Selling Agreements. Between these 2 Broker / Dealers, I was not paid 1<sup>st</sup> 2<sup>nd</sup> and 3<sup>rd</sup> Quarter Trails – almost \$80,000. One year after “the merger”, Westpark still didn't have a Signature Guarantee Stamp. So, I left the firm.

JRL was next, and it was the best B/D I ever worked for. After getting GWG complaints in 2022 and paying huge attorney fees, I told the owner that I was filing Chapter 7 Bankruptcy on

Joseph Nelson  
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February, 2023. What a great 70<sup>th</sup> Birthday present! The owner terminated me in April, and a couple of weeks later he had the firm file Bankruptcy.

While helping compile the paperwork to transfer assets to a Beneficiary, I called the new firm most of the reps had transferred to for their assistance in the transfer. I spoke to one of the Principals of the firm. He asked me to join them. I explained that I was only using Mutual Funds “Directly” – not Brokerage accounts. I asked specifically, “Do you have Mutual Fund selling Agreements with Mutual Fund companies?” He replied, “yes, with all of the big ones”.

I transferred my license to Global Point Capital, it becoming effective the middle of September, 2023. Almost every one of my clients had PIMCO and Fidelity Advisor Funds. I rushed to get Change of Dealer forms signed and sent to mutual fund companies, so that I could get my third quarter trail fees – approx. \$20,000. That’s when I learned I had been lied to – they didn’t have selling agreements with giant Fidelity and PIMCO. Consequently, I lost over \$20,000 of fees. I asked Valerie, the big shot who gets selling agreements. It took her almost 4 months to get PIMCO – more lost earnings. I learned that after 9 months, she had never applied with Fidelity- I had been earning over \$14,000 a year. More losses for me. I immediately began searching for a new Broker / Dealer – June to December. I found an honest one and began the process in January 2025 – I had to pay, for the second time in 2025, my FINRA fees. Because of my Disclosures, I had to write explanations to Florida, Oregon, Nevada, Utah and California Securities Departments. The final approval came in the end of April, 2025. I was awaiting a Rep Number from Repple Securities. I got a call and was told Attorney Lawler wanted to speak with the Chief Compliance Officer first. On June 3<sup>rd</sup>, they finally spoke and Lawler told them not to take me. What a screw job !!! This was before our “Zoom Meeting”. Again, I have no idea what I was being convicted of, so I couldn’t defend myself. It would be nice if FINRA could refund my second 2025 fees or apply them to my 2026 fees, since Lawner prevented me from using my License for 2025.

I have been screwed royal by this industry, and have not been paid hundreds of thousands of dollars. My clients have been telling me what a great job I have done for them when compared to their previous Advisors.

Please Don’t take my career away from me. I love this industry and helping my clients. Going forward I will only be using Mutual Funds in the future.

Regards,

Joseph Nelson  
CRD #2180626