

PROSPECTUS SUPPLEMENT NO. 2
(to Prospectus dated October 4, 2024)



LifeWallet
powered by MSP Recovery

MSP Recovery, Inc. d/b/a LifeWallet

9,956,415 Shares of Class A Common Stock

This prospectus supplement no. 2 amends and supplements the prospectus dated October 4, 2024 (as supplemented or amended from time to time, the “Prospectus”), which forms a part of our Registration Statement on Form S-1 (No. 333-279958). This prospectus supplement is being filed to update and supplement the information in the Prospectus with the information contained in our Current Report on Form 8-K, filed with the Securities and Exchange Commission (the “SEC”) on October 25, 2024 (the “Current Report”). Accordingly, we have attached the Current Report to this prospectus supplement.

This prospectus relates to the offer and sale from time to time by the selling securityholders named in this prospectus (the “Selling Securityholders”), or their permitted transferees, of up to 9,956,415 shares of our Class A Common Stock, par value \$0.0001 per share, including: (i) up to 5,000,000 shares of our Class A Common Stock issuable upon exercise of warrants (the “VRM Warrants”) issued to Virage Recovery Master, LP (“VRM”) pursuant to the MTA Amendment No. 2 and Amendment to the Amended and Restated Security Agreement (the “Second Virage MTA Amendment”) dated November 13, 2023; (ii) 500,000 shares of our Class A Common Stock issued to Virage Recovery Participation LP (“VRP”) and up to 2,500,000 shares of our Class A Common Stock issuable upon exercise of a warrant issued to VRP (the “VRP Warrant”), in partial satisfaction of amounts owed by the Company pursuant to that certain Services Agreement dated May 20, 2022 between Virage Capital Management LP (“Virage”) and the Company; and (iii) 1,956,415 shares of our Class A Common Stock issued to Palantir Technologies, Inc. (“Palantir”) as consideration for certain products and services rendered by Palantir. As the exercise price of the VRM Warrants and the VRP Warrant is only \$0.0001 per share, should the VRM Warrants or the VRP Warrant be exercised, we would only receive nominal proceeds therefrom.

Our Common Stock, Public Warrants and New Warrants are listed on Nasdaq under the symbols “LIFW,” “LIFWZ,” and “LIFWW.” On October 24, 2024, the closing price of Common Stock was \$0.1417 per share, the closing price of our Public Warrants was \$0.0490 per warrant and the closing price of our New Warrants was \$0.0020 per warrant.

Investing in our securities involves risks. Before you invest in our securities, please carefully read the information provided in the “Risk Factors” section beginning on page 9 of the Prospectus and any in any applicable prospectus supplement, and Item IA of our Annual Report on Form 10-K for the fiscal year ending December 31, 2023, filed with the SEC on April 15, 2024.

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

The date of this prospectus supplement is October 25, 2024.

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

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): October 23, 2024

MSP Recovery, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-39445
(Commission
File Number)

84-4117825
(I.R.S. Employer
Identification No.)

3150 SW 38th Avenue
Suite 1100
Miami, Florida
(Address of principal executive offices)

33146
(Zip Code)

(305) 614-2222
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common stock, \$0.0001 par value per share	LIFW	The Nasdaq Global Market
Redeemable warrants, each whole warrant exercisable for one share of Class A common stock at an exercise price of \$287.50 per share	LIFWW	The Nasdaq Global Market
Redeemable warrants, each whole warrant exercisable for one share of Class A common stock at an exercise price of \$0.0025 per share	LIFWZ	The Nasdaq Global Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 3.02 Unregistered Sales of Equity Securities.

Pursuant to the first Amendment to the Master Transaction Agreement, dated April 11, 2023 (the “First Amendment”), for each calendar month beginning with January 31, 2024 and ending when the VRM Full Return (as defined in the Master Transaction Agreement dated March 9, 2022 (the “MTA”)) is paid in full, MSP Recovery, Inc. (the “Company”) is required to either: (i) pay in cash or (ii) issue a warrant to purchase a number of shares of Class A Common Stock of the Company, or some combination thereof, to Virage Recovery Master LP (“VRM”) such that the value is equal to the quotient of 1% of the calendar month-end balance of the Unpaid Base Amount and the VWAP (each, as defined in the MTA), at an exercise price of \$0.0001 per share (the “Required Monthly Issuance”).

Pursuant to the Required Monthly Issuance, on October 23, 2024 the Company issued to VRM: (i) a warrant with an effective Original Issue Date of September 1, 2024 to purchase 43,380,152 shares of the Company’s Class A Common Stock, par value \$0.0001 per share at a purchase price of \$0.0001 per share, and (ii) a warrant with an effective Original Issue Date of October 1, 2024 to purchase 66,322,033 shares of the Company’s Class A Common Stock, par value \$0.0001 per share at a purchase price of \$0.0001 per share (collectively, the “Warrants”). The Warrants are exercisable for two years from the Original Issue Date, as defined therein.

The Warrants have not been registered under the Securities Act of 1933 (the “Securities Act”) or under any state securities law in reliance upon an exemption from registration pursuant to Section 4(a)(2) of the Securities Act.

This Item 3.02 contains only a brief description of the material terms of the Warrants, and does not purport to be a complete description of the rights and obligations of the parties thereunder, and such descriptions are qualified in their entirety by reference to the full text of the Warrants, which are attached hereto as Exhibit 4.1 and 4.2, and are incorporated by reference into this Item 3.02.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
4.1	VRM Monthly Warrant dated September 1, 2024
4.2	VRM Monthly Warrant dated October 1, 2024
104	Cover Page Interactive File (the cover page tags are embedded within the Inline XBRL document).
