

The Estate of a Deceased Retail Investor Sues Centaurus Financial for Recommending GWG L Bonds to the Elderly Investor

Iorio Altamirano LLP, a securities arbitration law firm, filed the arbitration complaint with FINRA.

NEW YORK, NEW YORK, UNITED STATES OF AMERICA , July 19, 2022 /EINPresswire.com/ -- Iorio



Altamirano LLP has filed a FINRA arbitration claim against Centaurus Financial, Inc. ("Centaurus Financial"). The claim alleges that South Carolina-based broker Cindy Chiellini recommended that a 74-year-old retired shift supervisor invest a significant portion of his investment account into speculative, high-risk, illiquid, and unrated L Bonds issued by GWG Holdings, Inc. ("GWG Holdings"). The bond was illiquid for seven years. The claim was filed by the Executor of the Estate for the deceased investor, who passed away in 2021.

GWG L Bonds were speculative, illiquid, high-risk, and unrated securities and were only suitable for investors who had an investment objective of speculation and could sustain a complete loss."

August M. Iorio, Esq.

In addition to the recent filing for the Estate against

Centaurus Financial, Iorio Altamirano LLP has filed arbitration claims against Centaurus Financial for a married couple in their mid-sixties, a 69-year-old retired small business owner, and a 62-year-old software engineer who filed a claim on behalf of herself and her deceased mother, who was an 83-year-old widow when Centaurus Financial recommended GWG L Bonds to her.

Iorio Altamirano LLP (gwglawyer.com) encourages all investors who purchased GWG L Bonds from Centaurus Financial, Inc. to [contact](#) the firm to review their legal rights. Investors will receive a free case evaluation. To set up an evaluation, email securities arbitration attorneys August Iorio at august@ia-law.com or Jorge Altamirano at jorge@ia-law.com. Alternatively, call the firm toll-free at (855) 430-4010.

The complaint filed on behalf of the Estate for the 74-year-old retired shift supervisor alleged that the speculative, illiquid, high-risk, and unrated GWG L Bonds were unsuitable for the retiree and that Centaurus Financial failed to meet its standard of care to match him with appropriate and suitable investments. The case number is FINRA Case No. 22-01593.

Each of the complaints filed against Centaurus Financial also alleges that Centaurus Financial and its brokers materially misrepresented and omitted material risks and features of the GWG L Bonds, including that they failed to notify their customers that before the recommendation to purchase the security, the company that issued the bonds, GWG Holdings, had materially reoriented its business model. The claims also allege that Centaurus Financial and its brokers failed to conduct reasonable due diligence about GWG Holdings and its L Bonds and, as a result, did not understand key risks associated with GWG Holdings and the GWG L Bonds.

GWG Holdings filed for Chapter 11 bankruptcy protection on April 20,

2022. Many GWG L Bond investors are skeptical that they will receive any significant portion of their principal back.

Iorio Altamirano LLP, a law firm that represents retail investors, is representing many retired and senior investors against brokerage firms across the country to recover investment losses and damages sustained by those firms' recommendations to invest in GWG L Bonds. Based on the law firm's investigation, there appears to have been widespread negligence and misconduct by many brokers and broker-dealers across the country.

Brokerage firms like Centaurus Financial are required to make investment recommendations that are suitable and in the best interest of their customers. Brokerage firms and financial advisors must also disclose all material facts and risks of a security when making a recommendation. Firms and brokers must also conduct reasonable due diligence on products they offer before recommending them to any clients. When a firm or advisor fails to meet these standards of conduct, they can be held liable for damages.

Iorio Altamirano LLP has serious concerns that Centaurus Financial failed to understand the material risks and features of GWG L Bonds. In April 2020, Centaurus Financial raised the cap on how much the firm would allow customers to purchase GWG L Bonds despite GWG's significant departure from the life settlements business and its foray into a riskier alternative asset business making it a much larger credit risk. The limit was raised from \$100,000 to \$150,000, or no more



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than 10% of the customer's net worth (excluding primary residence), whichever was less.

According to the law firm's conversations with Centaurus Financial customers, brokers hounded their clients after the cap was raised to invest up to the new max. Iorio Altamirano LLP believes that Centaurus Financial and its brokers were likely motivated by commissions and may not have their customers' best interests in mind when recommending the purchase of GWG L Bonds.

Iorio Altamirano LLP has recently [published](#) the initial findings of its comprehensive investigation into GWG Holdings and continues to urge individuals who purchased L Bonds issued by GWG Holdings, Inc. to contact the firm for a free and confidential consultation.

What Investors Can Do: GWG L Bond investors should contact securities arbitration law firm Iorio Altamirano LLP to review their legal options. The firm will review the terms of investors' GWG L Bond investments at no cost. Customers may be entitled to compensation without paying any out-of-pocket fees or costs through a contingency fee arrangement with securities arbitration law firm Iorio Altamirano LLP. To set up an evaluation, email securities arbitration attorneys August Iorio at august@ia-law.com or Jorge Altamirano at jorge@ia-law.com. Alternatively, call the firm toll-free at (855) 430-4010.

About Iorio Altamirano LLP:

Iorio Altamirano LLP is a national securities litigation law firm based in New York, NY. The law firm pursues FINRA arbitration claims nationwide on behalf of investors to recover financial losses arising out of wrongful conduct by financial advisors and brokerage firms.

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