



Barred FA with 62 Disclosures Gets 17 ½ Years in Prison

By Alex Padalka March 30, 2021

A former registered broker and investment advisor who racked up dozens of customer complaints is heading to prison for more than 17 years.

In January 2020, **Anthony Diaz** was convicted on seven counts of wire fraud and four counts of mail fraud related to his role in convincing clients to invest in high-risk illiquid alternatives such as real estate investment trusts, business development companies, and oil and gas drilling firms.

Some of the clients testified during Diaz's trial that they invested their life savings, while Diaz's former employees testified that he ordered them to add bogus information on account forms to inflate clients' assets, investment experience and risk tolerance, according to the U.S. Attorney's Office for the Middle District of Pennsylvania.

Diaz regularly earned more than \$1.5 million in commissions annually, which he spent on expensive cards, a dozen properties across the country and "frequent vacations to exotic locales," the U.S. Attorney's Office says.

On Friday, U.S. District Court Judge **Malachy Mannion**, who called Diaz a "sophisticated criminal," sentenced him to 210 months in prison and three years of supervised release, as well as to pay \$1 million in restitution to his victims, the U.S. Attorney's Office says.

Each of the 11 counts that Diaz was convicted on last year carries a maximum 20-year prison sentence.

The Financial Industry Regulatory Authority barred Diaz in May 2015 over allegations that he induced clients into variable annuity exchanges, falsified or caused to falsify clients' net worth to make sure they met eligibility requirements and made false statements about guaranteed or specific rates of returns, as **reported**.

Diaz was registered at 11 firms in the 14 years he's been in the industry. He began his career at **Horwitz & Associates** in 2000 before moving on to other firms, including Raymond James Financial, Edward Jones, **Round Hill Securities** and First Allied Securities.

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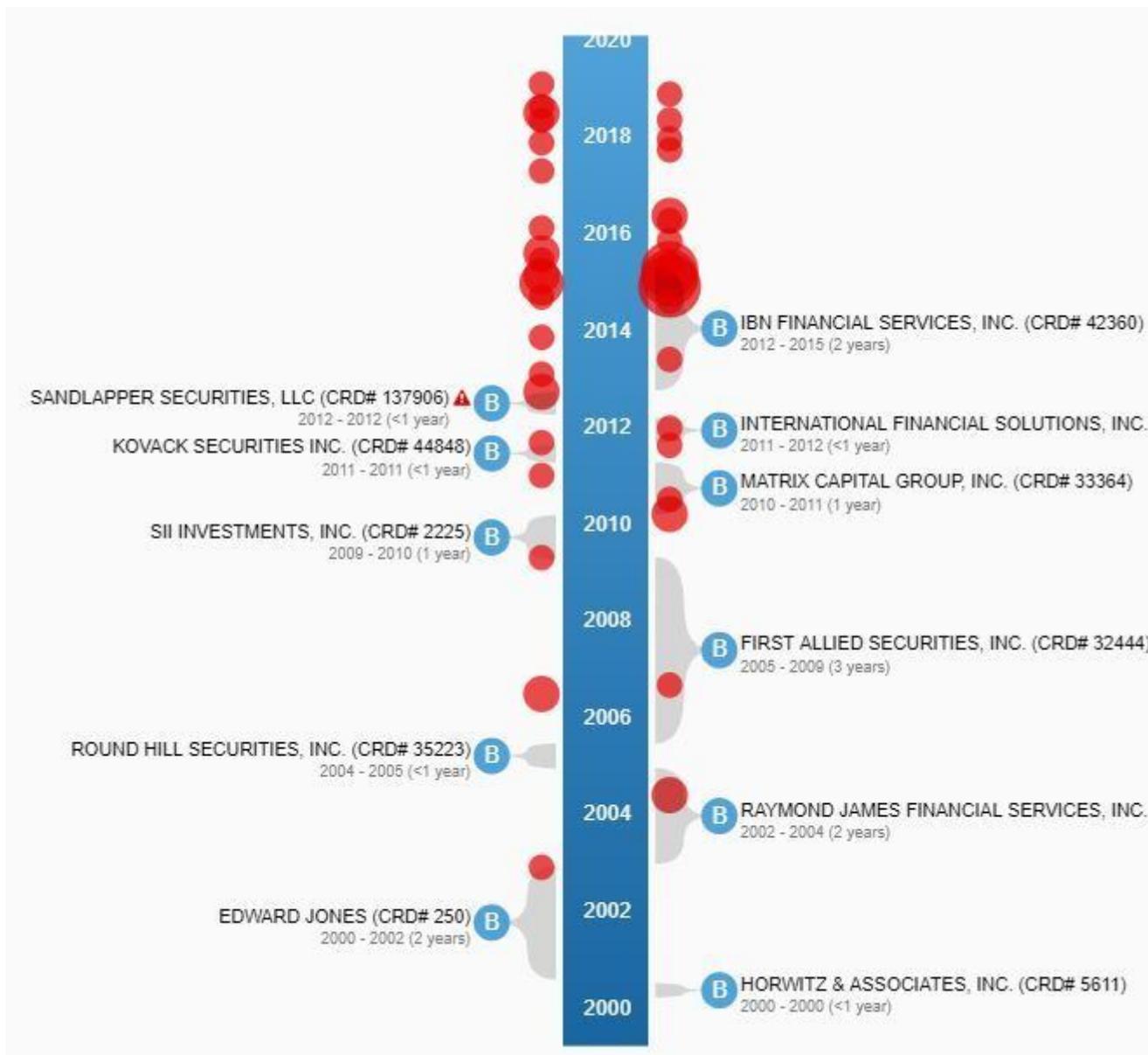
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Securities — where Diaz worked from 2005 to 2009 — to pay 17 clients a total of \$4.3 million in damages due to unsuitable investment recommendations and other complaints.

Prior to the bar, Diaz was discharged from five brokerages, and by April 2018 accumulated 55 disclosures. The number of disclosures in his BrokerCheck record rose to 62 as of January 2019.

It's unclear whether Diaz will repay the restitution ordered on Monday. In 2017, a sole public arbitrator ordered Diaz and First Allied



Anthony Diaz, Registration and Disclosure History (Source: BrokerCheck)