

# NEWS LETTER

August, 2024. Volume 13, Issue 41



## KEY ISSUES

Highlighting Excellence: Our RTS Superstars of August

How RSA Holders Accessed Benefits in First Half 2024

Nurturing Excellence: Ivie urieto, the rising chess prodigy

Athletes who went broke: What went wrong & how to avoid their mistakes



Say Hi to TIVA  
on Whatsapp  
or Telegram

0907 008 8008

# Inside this Issue

<b>Editorial Notes</b>	3
<b>Cover News:</b> Highlighting Excellence: Our RTS Superstars of August	4
<b>Industry News:</b> CPS: How RSA Holders Accessed Benefits in First Half 2024	5
<b>Financial Series:</b> Abubakar Muhammed and Quest for Quick Service	6
<b>Staff Zone:</b> Nurturing Excellence: Ivie urieto, the rising chess prodigy	7
<b>Spotlight:</b> August Birthday Celebrants	9
<b>Photo Gallery:</b> August RTS Stars	11
<b>Investment News</b>	12
<b>Think Piece :</b> Mental Health and Technology	13
<b>Sports News:</b> Athletes who went broke: What went wrong & how to avoid their mistakes	14

# EDITORIAL NOTE

## Dear Esteemed Readers,

Welcome to the August edition of TFP Magazine, where we continue to spotlight excellence, innovation and forward-thinking in the pension industry. In this edition, we continue to celebrate the exceptional achievements of our RTS stars, honoring the resilience and dedication that drive Trustfund Pensions Limited to new heights.

Our industry review delves into the various ways RSA holders accessed their retirement benefits in the first half of 2024, underlining the seamless service and regulatory diligence that governs the Contributory Pension Scheme (CPS). We also highlight the crucial role of financial intelligence, with lessons from aviation professional Abubakar Muhammad's quest for quick service—a narrative by Ogechi Ewuru that resonates with the importance of efficiency in modern pension management.

In this issue, we also explore the delicate balance between technology and mental health. Hilda Okoye provided insights into how advancements impact our well-being. As society grows more dependent on technology, understanding its influence becomes crucial to fostering a healthy and balanced life.

In this riveting piece 'Athletes Who Went Broke', Akinkunmi George dives deep into the often-unspoken financial struggles of professional athletes. The article is a call for smarter financial decision-making, not just for athletes, but for everyone who aims to avoid the financial missteps of the past (a wake-up call and a guide to ensuring financial security in an unpredictable world).

As is our tradition, we celebrate our staff members with birthdays in the month of August. Finally, we introduce Ivie Urieto, a rising chess prodigy whose story exemplifies the pursuit of excellence, not just in sports but in life. Her journey, alongside the support of her father who is one of us, Clement Urieto, reminds us of the profound impact that dedication and mentorship can have on the future generation.

As you immerse yourself in the varied contents of this edition, may the stories of determination and excellence inspire you to pursue your goals with renewed energy and passion. At Trustfund Pensions, we remain committed to empowering you with the knowledge, support and services that secure a brighter future.

Enjoy the read! As usual, your contributions and feedback are always valued.

Do visit our website [www.trustfundpensions.com](http://www.trustfundpensions.com) and follow us on all our social media platforms (Facebook, Instagram, Linked-In, TikTok, YouTube, Twitter (X) etc) @trustfundpltd.

**Chinalulum. C. Uzomah**  
*Editor-In-Chief*

## EDITORIAL CREW

**Uche Ihechere**  
*(MD/CEO)- Publisher*

**Chinalulum. C. Uzomah**  
*Editor-In-Chief/Head  
Corporate Communications*

**Funmi Oluwo**  
*Managing Editor/ Company  
Secretary/General Council*

**Rachel Osa Obi**  
*Head, HR/Admin*

**Ijeoma Mfonumoh**  
*Head, Compliance*

**Contributors**  
**Ogechi Ewuru**  
*Finance Department*

**Hilda Okoye**  
*Digital Marketing*

**Akinkunmi George**  
*Secretariat/Legal*

**Design Team**  
**Kemi Andy**  
*Graphic Designer*

## HIGHLIGHTING EXCELLENCE: OUR RTS SUPERSTARS OF AUGUST



Valentine Unachukwu, Adejoh Siaka, Gani Ishaku, Oluseun Olowe, Rosemary Nomigo, Peter Orobobo, Olufemi Okunade, Tunbosun Eke, Regina Musa, Victoria Isioma. Each of these champions has showcased exceptional commitment and perseverance, driving our success forward. Their unwavering focus and adaptability in the face of challenges exemplify the spirit of excellence we cherish at Trustfund Pensions.

At Trustfund Pensions Limited, we understand that our achievements are a direct result of the remarkable individuals who make up our team. As we shine a spotlight on the extraordinary efforts of our stars in the Retirement Savings Account Transfer System (RTS), whose dedication and hard work set them apart, we also acknowledge the collaborative spirit that defines the entire Trustfund Pensions team.

It is through mutual support and shared goals that we achieve greatness. The success of our RTS stars serves as motivation for us all, as we continue to push boundaries, set new standards in the pension industry, and deliver unparalleled service to our clients.

***Together, let us continue our journey towards excellence!***

# INDUSTRY NEWS

## CPS: HOW RSA HOLDERS ACCESSED BENEFITS IN FIRST HALF 2024

Accessing retirement and terminal benefits within the Contributory Pension Scheme (CPS) is seamlessly regulated by the National Pension Commission (PenCom). In line with the provisions of the Pension Reform Act 2014 (PRA 2014), PenCom has established procedures and requirements for Retirement Savings Account (RSA) holders to access their retirement benefits as and when due.

Section 7(1) of the Pension Reform Act (PRA 2014) provides that Retirement Savings Account (RSA) holders are entitled to access their benefits upon retirement or upon reaching the age of 50, whichever comes later. Contributors have the option to withdraw a lump sum from their total RSA balances, provided that the remaining balance is adequate to secure either a Programmed Withdrawal (PW) or a Retiree Life Annuity (RLA) for lifetime pension benefits. The PW offers a regular pension payment during the lifetime of the RSA holder from a Pension Fund Administrator (PFA), while the RLA, purchased from a Life Insurance Company, provides a steady income for life. In addition, the PW renders monthly statement of account to the RSA holder and payment of any residue in the RSA to beneficiaries upon the death of the RSA holder.

Aside from retirement benefits, the CPS also offers various other forms of payments. These payments include provisions for Temporary Job Loss, Death benefits, En bloc payments, and Equity Contribution for Residential Mortgage, among others.

### Programmed Withdrawal

Programmed withdrawal is a benefit payment method by which the employee collects his retirement benefits in periodic sums (monthly or quarterly) spread throughout an estimated life span. From January to June 2024, PenCom has approved 13,581 requests from retirees to draw pension through PW mode. The retirees received a total lump sum of **₦74.88 billion**, while their monthly pensions amounted to **₦871.02 million**.

### Retiree Life Annuity

RLA, on the other hand, is a contract for regular income purchased from an approved Life Insurance Company, which provides monthly or quarterly income to retirees during their lifetime. From January to June 2024, 9,560 retirees chose the annuity mode of pension payment. A lump sum of **₦35.21 billion** was approved for payment to the retirees. **₦52.71 billion** was paid to RLA providers to pay monthly pension of **₦885.22 million** to the retirees.

### En-bloc Payment

The Revised Regulation for the Administration of Retirement and Terminal Benefits allows en-bloc payment to retirees whose RSA balances cannot procure Programmed Withdrawal or RLA that is equivalent to one-third of the prevailing national minimum wage. From January to June 2024, PenCom approved the en-bloc payment of retirement benefits to 7,167 retirees, totalling **₦4.85 billion**.

### Death Benefits

Death Benefits are paid to a beneficiary under a will or the spouse and children of an RSA holder who dies in service (not only to those in service) after the death of the RSA holder. In the absence of a will, the benefits are paid to the named administrator named in a verified letter of administration obtained from a court of competent jurisdiction. From January to June 2024, PenCom granted approvals for payment of death benefits amounting to **₦64.29 billion** to the legal beneficiaries/administrators of 7,813 deceased employees and retirees.

### Temporary Job Loss

The PRA 2014 permits an employee who loses his job to withdraw an amount not exceeding 25 percent of the total amount credited to his RSA. However, such withdrawals can only be made after four months of cessation of employment, and the employee does not secure another job. From January to June 2024, PenCom approved **₦23.47 billion** to 14,179 RSA holders under 50 years who were disengaged from employment and could not secure another job within the stipulated time of four months.

### Voluntary Contributions

Section 4(3) of the PRA, 2014 allows RSA holders to make Voluntary Contributions (VC) in addition to the mandatory contributions to augment their pension at retirement. The VC can be withdrawn periodically based on the Guidelines. From January to June 2024, PenCom approved withdrawals from voluntary contributions amounting to **₦7.33 billion** by **2,099 contributors**.

### Equity Contribution for Residential Mortgage

Eligible RSA holders can utilise their RSA balance to pay equity contributions for residential mortgages, in accordance with Section 89(2) of the PRA 2014. This provision enables RSA holders to allocate a portion of their pension savings towards the equity component of a residential mortgage. This initiative has proven instrumental in helping numerous individuals achieve their aspirations of homeownership since its inception. From January to June 2024, PenCom authorised disbursements totalling **₦28.52 billion** to 3,539 RSA holders, facilitating their equity contributions for residential mortgages.

In conclusion, accessing retirement benefits under the CPS is seamless. PFAs must guide RSA holders who want to access their retirement benefits on the documentation requirements for each type of benefit payment.

At Trustfund Pensions Limited, 6,339 applicants were paid up to tune **₦19,013,607,083.46** from January to June 2024. While 29,701 retirees were paid **₦5,483,164,525.30** as monthly pension.

# FINANCIAL SERIES

## FINANCIAL INTELLIGENCE: ABUBAKAR MUHAMMED AND QUEST FOR QUICK SERVICE - by Ogechi Ewuru (Finance Department)

Abubarkar Muhammad of MaxAir is a Cockpit (*flight officer or Pilot?*)

As our faces come in diverse dimensions and colours, so does the need for pension services. As an aviation technocrat, Captain Abubakar Muhammad truly understands the difference between ‘crawling’ from Abuja to Lagos for 11 hours through the road and “cruising” from Nnamdi Azikiwe Airport Abuja to Murtala Mohammed Airport Ikeja in less than an hour. So, for Captain Muhammad crawling is not an option, it is premium service or nothing. He is so conscious of service speed that he gathered all the requisite documents needed to apply for programmed withdrawal one month before he clocked 50 years. As the day came, he sent his application via e-mail and WhatsApp and followed up with calls. He is not the type of contributor you will tell to go to a nearby branch to submit a document, he will tell you I will send it via e-mail.

I encountered Abubakar Muhammad when I was assigned to him as his customer relationship manager. I was calling each of my allotted 35 customers for familiarization talk and he was number 21 on the list. I just finished speaking with number 8 when he called me to introduce himself. There and then I got the message, that this customer doesn’t like queues. His service provider must be ready to offer service at the speed of light.

So, when he left Aero Contractors and he needed to collect 25 percent of his RSA balance. I approached Magdalene Momoh of our Customer Service department explaining the peculiarities of this customer. Mag did justice to the customer’s yearnings despite a slight discrepancy in name which was addressed by an affidavit from the court and approved by PenCom. Subsequently, when he got employed at Mangal Airline he did not give their Head of Human Resources breathing space until his accumulated pension remittances were credited to his account and confirmed through the statement of account he demanded.

The Pension Reforms Act has specified the responsibilities of the Employer, Employee, Regulator, PFA, and PFC. While it is the responsibility of the Employee to open a Retirement Savings Account with any PFA of choice - section 11 (1), the Employer must remit 8% deduction from the Employee and 10% from the Employer to the Pension Fund Custodian-Section 11(3). Section 11(6 & 7) itemized applicable penalties where an Employer fails to remit on time. However, the Pension Fund Administrator will not know why an employer failed to remit. Is the staff on suspension or resigned? Section 55(e) identified “provision of customer service support to employees including access to employees’ account balances and statements on demand” as one of the duties of Pension Fund Administrators. The essence is for contributors to escalate unremitted contributions while still in service for a quick resolution.

In a decided case relating to non-remittance of contribution by an employer. Mr. Eshiet Esenem (not a Trustfund Customer) had submitted that he was appointed as Officer 1 with effect from the 1st of June 2006 and his



appointment was confirmed on the 24th of July 2007. Unfortunately, his appointment was terminated effective on the 29th of January 2016 when the company embarked on ‘Reorganization and Restructuring’ However, during the period of his employment, the company did not remit the total sum of ₦772,884.65 (Seven Hundred and Seventy-Two Thousand, Eight Hundred and Eighty-Four Naira, Sixty-Five Kobo) into his Retirement Savings Account even though deductions were made from his salary in line with Pension Reform Act 2014 and all efforts to get his entitlements did not yield result. Hon. Justice (Prof.) Elizabeth Oji of the Lagos Judicial Division of the National Industrial Court had ordered NICON Insurance Limited to pay Mr. Eshiet Esenem the sum of ₦772,884.65 (Seven Hundred and Seventy-Two Thousand, Eight Hundred and Eighty-Four Naira, Sixty-Five Kobo) being the outstanding balance of his pension remittance. Justice Oji held that Mr. Eshiet had given evidence of the refusal of the firm to meet their contractual responsibility on the payment of deducted pension; awarded the sum of ₦200,000 as damages for financial stress and ₦100,000 cost of action within 30 days.

At Trustfund Pensions, we offer prime services and premium customer support and experience. We give our contributors and members the requisite information needed to monitor their contributions, as well as the periodic performance of their RSA contributions. I urge our esteemed customers to borrow a leaf from Capt. Muhammed and track their contributions.

Lastly, I would like to point out that in the investment corridor, time defines returns. The earlier your contributions come in, the longer the period of earnings. If accumulated contributions are paid en bloc without factoring in the pre-remittance interest, the contributor will be on the losing side. In the case of Mr. Eshiet, he lost interest for ten years (2006 to 2016) and that was not part of his prayer.

# STAFF ZONE

## NURTURING EXCELLENCE: IVIE URIETO, THE RISING CHESS PRODIGY



What does a pension industry professional, with no formal chess expertise, know that enables them to raise a fast-rising, globally acclaimed chess prodigy? Hmmmm.....there we go.

### Ivie Urieto – Rising Chess Prodigy

**Born:** September 11, 2014

**Rank:** 12th in Africa (Under-10 Female, FIDE Rating: 1530 as of August 2024)

Ivie Urieto, born on September 11, 2014, is a 10-year-old Nigerian chess prodigy making waves both locally and internationally. Currently, she ranks 12th in Africa in the Under-10 FIDE Female category with a promising rating of 1530. She has steadily progressed towards achieving the title of International Master (IM), balancing her chess career with her education as a primary five student.

Ivie's chess journey has been remarkable. She holds memberships with both the United States Chess Federation and the French Chess Federation, demonstrating her international reach at such a young age.

In addition to her competitive success, Ivie is passionate about sharing the game she loves. She serves as the Youth Ambassador for the Gift of Chess in Nigeria, where she is dedicated to teaching chess in underserved communities, such as Internally Displaced Persons (IDP) camps, orphanages, and local schools. Working alongside Tunde Onakoya of Chess in Slums Africa, Ivie believes that chess has the power to empower, uplift and inspire, and she is committed to making it accessible to everyone.

### Achievements and Global Influence

Ivie's achievements extend beyond national borders. She has earned 14 medals in her chess career so far and competed in prestigious tournaments, including the Susan Polgar All-Girls Tournament (held online). Recognizing her growing global influence, she has been awarded honorary memberships with

the Greater Cleveland Chess Club in Ohio, USA, and the Afili Invidente Chess Club in Cadiz, Spain. Despite her young age, Ivie has already inspired young players worldwide and aims to become one of the youngest grandmasters in history.

Her success has also caught the attention of the media. Ivie has been featured in high-profile outlets such as BBC World Podcast, DW News (Berlin), Reuters, and CGTN News, among others. She is active on social media with around 3,000 followers on X (formerly Twitter), engaging with her audience through her verified handle.



PERIOD: AUGUST 2024 RANK STANDARD RATING CONTINENT: AFRICA WOMEN AGE: 10 AND YOUNGER				
#	Name	Title	Fed	Rating
1	Amr Abid, Nourseen		EGY	1858
2	Fady, Heaven		EGY	1676
3	Riley Matingi		KEN	1627
4	RAMAROLAHY Abigaila Lydie		MAD	1609
5	Said Tawfeik, Fatma		EGY	1588
6	CHIMBOZA TINEVIMBO ELIZABETH		ZIM	1580
7	Mohamed Ahmed, Ghidaa		EGY	1576
8	Oluchiri Jadarudo Achieng		KEN	1552
9	Kaburo Winnie		KEN	1549
10	Nalamalpu Saishanvi Reddy		BOT	1541
11	Tsinjoviniavo, Nivo Hasina		MAD	1540
12	URIETO, Kristen Ivie		NGR	1536
13	Hadhek, Lina		TUN	1518
14	Saeed, Fatma		EGY	1508

AS OF AUGUST 2024 (FIDE PUBLICATION), SHE STANDS AT THE 12 POSITION IN AFRICA UNDER 10.

## Clement Urieto- A Father's Role in Nurturing Excellence

**Profession:** Pension Industry Professional

Clement Urieto, a staff of Trustfund Pensions Limited (Finance department, Funding unit), a seasoned professional in the pension industry, has played a vital role in his daughter Ivie Urieto's chess journey. While Clement is not a professional chess player himself, his dedication as both a father and mentor has been key to Ivie's rise in the chess world. Under his guidance, Ivie has grown into one of the top young chess players in Africa. Clément's role extends far beyond just supporting Ivie's participation in tournaments. He has helped Ivie connect with International Chess Federations, secured mentorship opportunities and expanded her influence beyond the board. Together, they work to foster a passion for chess in underserved communities, making the game more accessible to those who may not otherwise have the opportunity.

Although Clement never pursued chess professionally, his unwavering support and belief in the transformative power of the game have shaped Ivie's chess career and have positioned her to become a future grandmaster. The story of Clement and Ivie is a powerful testament to resilience; showing that with determination, you can overcome the odds and succeed. We say 'cheers to more wins'!



CLEMENT URIETO, FATHER AND COACH



AT THE NATIONAL CHESS CHAMPIONSHIP IN LAGOS



IVIE TEACHING CHESS AT BETHARBEL ELEMENTARY SCHOOL IDP CAMP IN ABUJA



AT A CHESS TOURNAMENT ORGANISED BY CHECKMATE CHESS CLUB IN ABUJA



IVIE THE CHAMPION- THE CHESS PRODIGY



# SPOTLIGHT

## Staff Birthday Celebration



A TRUSTFUND STAFF, MEKILUWA, CELEBRATING HER BIRTHDAY AT THE OFFICE.



IN THIS PIC: L TO R HEAD HNI, RM LAGOS, HEAD BDM SOUTH AND HEAD, DIGITAL MARKETING CELEBRATING A COLLEAGUE'S BIRTHDAY AT OUR IKOYI REGIONAL OFFICE, LAGOS.

## August Birthday Celebrants



**Enetimi Endurance Ekidiribo**  
Business Development & Marketing  
Port-Harcourt



**Joy Ebere Eze**  
Business Development & Marketing  
Owerri



**Lucy Ulu**  
Business Development & Marketing  
Head Office



**Augustine Esiemokhai Tsado**  
Business Development & Marketing  
Benin



**Aishat Bukola Abdulrahman**  
Internal Control & Audit  
Head Office



**Mekiliwa Teresa Onwuka**  
Customer Support Service  
Onipanu



**Blessing Oluchi Charles Ikeah**  
Business Development & Marketing  
Uyo



**Billy Eghosa Ogiakha**  
Business Development & Marketing  
Onipanu

**Hetuwa Philip Kwya**  
Secretariat/Legal Services  
Head Office

**Bukola Kemi Julius**  
Business Development & Marketing  
Abeokuta

**Iorember Ameer**  
Business Development & Marketing  
Makurdi

**Moses Ahamba Onwukwe**  
Business Development & Marketing  
Head Office

**Chinweizu Akintayo Enwere**  
Customer Support Service  
Head Office

**Chibuzor Amarachukwu Agha**  
Contributions Mgt & Enrolment  
Head Office

**Joshua Irofula**  
Admin  
Benin

**Olusola Adetunji Oyetunji**  
Admin  
Victoria Island

**Chinyere Roselyn Agu**  
Customer Support Service  
Enugu

**Chika Alum Kolawole**  
Business Development & Marketing  
Head Office

**Juliet Osanebi**  
Business Development & Marketing  
Amuwo Odofin

**Rosemary Dooshima Nomigo**  
Business Development & Marketing  
Makurdi

**Chukwunonso Ukwandu**  
Business Development & Marketing  
Onipanu

**Godwin Adah**  
Customer Support Service  
Makurdi

**Lydia Ojonigwu Attah**  
Business Development & Marketing  
Head Office

**Ruth Oluchi Ochayi**  
Customer Support Service  
Head Office

**Edward Adakole Ajene**  
Information Technology  
Head Office

**Hassan Yakubu**  
Customer Support Service  
Maiduguri

**Magdalene Momoh**  
Customer Support Service  
Head Office

**Solomon Imoesi**  
Admin  
Benin

**Emmanuel Effiom Nsa**  
Admin  
Head Office

**Stella Ijeoma Ezeilo**  
Business Development & Marketing  
Head Office

# PHOTO GALLERY

## TOP RTS PERFORMING STARS FOR THE MONTH OF AUGUST



Rosemary Dooshima  
Nomigo  
Makurdi branch



Tunbosun Eke  
Victoria Island Branch



Regina Musa  
Victoria Island branch



Valentine Kene  
Unachukwu  
Head Office



Victoria Isioma  
Victoria Island branch



Olufemi Okunade  
Ota Branch



Oluseun Olowe  
Victoria Island branch



Adejoh Siaka  
Head Office Branch



Peter Orobobo  
Bayelsa branch



Gani Ishaku  
Lafia Branch

# INVESTMENT NEWS

## FUND PERFORMANCE REPORT FOR AUGUST - INVESTMENT UNIT

### Our Mission

To create future value for the economically active workforce and assure a quality standard of living upon retirement.

### Our Vision

Our focus is to be:

- ✓ The leader in terms of market share
- ✓ Competitive in terms of returns on funds under management
- ✓ The market maker in terms of setting benchmarks on best practices for funds management and customer service.

### Value & Principles

Our 4-point definition of self reflects our image, values, and represents “who we are as a Company”.

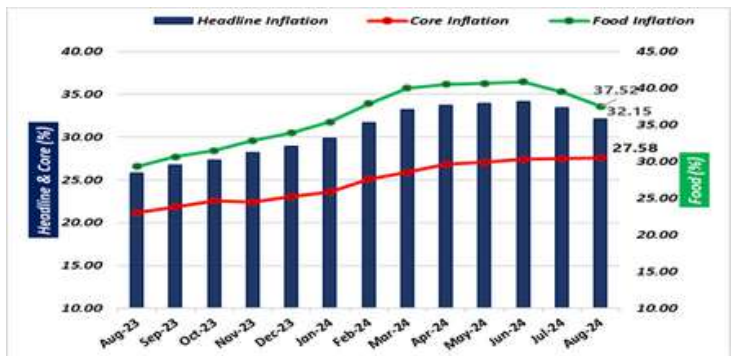
1. We are conservative.
2. We are dependable, promising good returns without taking unnecessary risks.
3. We are a commercially oriented profit making enterprise.
4. We have a passion for service: Exciting the customer is our business: We understand that without "satisfied customers", we cannot remain in business.

*At Trustfund, our sacred trust is to protect against poverty at retirement.*

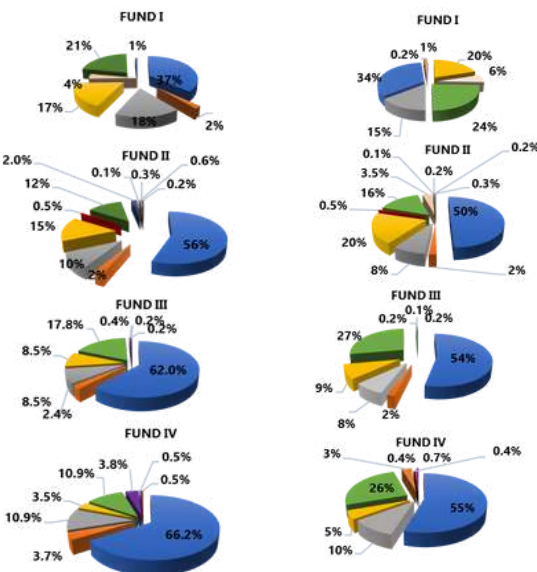
### Investment Strategy

- Our focus will remain on defensive stocks with adequate free float and potential for attractive dividends to buffer our portfolio position
- We will invest in government bond instruments particularly those with high coupon/interest rates
- We will be on the look out for "A" rated corporate bonds with attractive coupons, as current yield levels proffer the opportunity for Private Issuers to return to the debt market
- We will continue to invest in money market at best rates for liquidity and flexibility
- Overall our main objective is to continuously maximize return on investment

HEADLINE INFLATION SLIDES TO 32.15%.

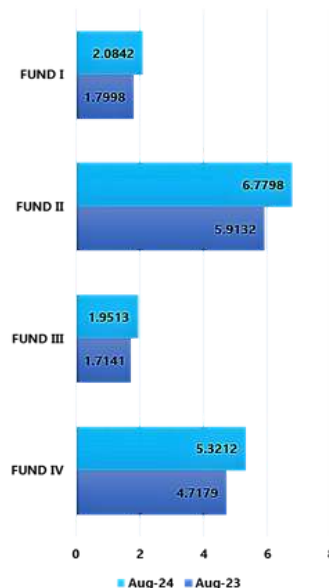


Headline Inflation moderated in August 2024, due to decreased pressure on food prices. Hence, the index tapered by 125bps to 32.15% from 33.40% printed in July 2024. Food and Core inflation closed at 37.52% and 27.58% respectively. We continue to anticipate a slowed pace of inflation in the near term due to ongoing accelerated tightening interventions by the CBN. Nonetheless, these expectations are barring any radical global/macro-economic shifts and apex bank interventions.



ASSET ALLOCATION AS OF AUGUST 31ST, 2023

ASSET ALLOCATION AS OF AUGUST 31ST, 2024



Price Movement Chart- Aug'23 Vs Aug'24

# THINK PIECE

## MENTAL HEALTH AND TECHNOLOGY- BY HILDA OKOYE (DIGITAL MARKETING)



Remember back in school when you were given debate topics to prepare points on? One of the very common ones was “Technology has done more harm than good”. Then, you would be asked to support or oppose the motion. A lot of you might have opposed the motion, with the claim that it has done good to society.

I am not here to tell you that you were on the wrong or right side. It was a side and that’s what matters, right? However, in the world today where there’s a rising awareness on mental health, we can’t help but thank these technological advancements for bringing these issues to light. It’s often said that solutions can only be found for problems we’re aware of. By raising awareness of mental health issues, technology is playing a key role in providing help, isn’t it?

Nevertheless, it can be argued that technology, particularly the internet, is also where we need to protect our mental health the most—given the constant stream of content from the internet, TV, and smart devices

The internet—what a revolutionary, life-changing advancement! Its scope goes far beyond what we can fully grasp. Every piece of information, whether positive or not, has an audience out there searching for it.

Now, how is a person affected when they come across the “otherwise” pieces of information? How do they process it? Is there a way of ensuring they don’t come across these types of information? I have been corrected on several occasions, having people tell me that positive and otherwise are relative. Meaning that what I find positive another might find otherwise and vice versa. Oh, I blame this on technology, taking morality and throwing it to the wind. Making logic and facts seem like hallucinations.

Regardless of whether you support or oppose it, I’m not here to say which side is right or wrong. I simply hope that, with these points, you’ll take a moment to reflect on the impact technology has on the mental health of humanity as a whole.

# SPORTS

## ATHLETES WHO WENT BROKE: WHAT WENT WRONG & HOW TO AVOID THEIR MISTAKES - By Akinkunmi George



Professional athletes often enjoy immense wealth and fame during their careers, earning more in a few years than most people do in a lifetime. However, a shocking number of them end up broke shortly after retiring from sports. What causes this dramatic fall from financial grace and how can current and future athletes avoid these costly mistakes?

### What Went Wrong: Common Reasons Athletes Go Broke

#### 1. Lavish Spending and Lifestyle Inflation

The allure of a luxurious lifestyle often tempts athletes into spending far beyond their means. They purchase multiple homes, exotic cars, expensive jewelry and other extravagant items. While these purchases may seem affordable during their peak earning years, maintaining such a lifestyle becomes unsustainable once their income dwindles or stops altogether.

Evander Holyfield, a former heavyweight boxing champion, earned over \$200 million during his career but lost most of it due to lavish spending. He owned a 54,000-square-foot mansion with 109 rooms, which eventually went into foreclosure. Holyfield also faced legal and child support issues, contributing to his financial downfall.

#### 2. Poor Financial Planning and Bad Investments

Many athletes lack the financial literacy needed to manage their wealth effectively. They often place blind trust in financial advisors, some of whom may be unqualified or even dishonest. Bad investments, whether in real estate, businesses, or the stock market, can quickly erode their wealth if not managed properly.

Vince Young, a former NFL quarterback, earned approximately \$34 million during his career. However, he filed for bankruptcy just a few years after retiring.

Young reportedly spent \$5,000 a week at The Cheesecake Factory, bought out airplane seats to fly alone and made several poor investment choices. His lack of financial planning and oversight led to his financial collapse.

#### 3. Inadequate Savings and Short Career Span

Unlike other careers, professional sports have a relatively short earning window, often limited to a decade or less. Many athletes mistakenly assume their high income will last indefinitely and fail to save adequately for the future. An injury, decline in performance, or an unexpected end to their career can leave them financially vulnerable.

Antoine Walker, a former NBA player, earned over \$108 million during his career but filed for bankruptcy two years after retiring. Walker lived an extravagant lifestyle, purchasing luxury cars, designer clothes, and multiple properties. He also financially supported a large group of family and friends. When his career ended abruptly, Walker found himself unable to sustain his lifestyle and quickly ran out of money.

#### 4. Legal Issues and Child Support Payments

Athletes are often involved in legal disputes, whether through divorces, lawsuits, or other legal challenges. Legal fees, settlements and ongoing child support payments can severely drain their finances. In many cases, these payments are based on their peak earnings, which become unsustainable after retirement.

Allen Iverson, an NBA legend, earned over \$200 million during his career but faced financial ruin after retirement. Iverson's financial troubles were partly due to his expensive divorce, legal disputes and massive child support payments. His lavish lifestyle, combined with these legal issues, led to a rapid depletion of his wealth.

#### 5. Pressure from Family and Friends

Athletes often feel obligated to support their family, friends and community financially. While generosity is admirable, the constant pressure to provide for others can lead to overspending and financial strain. Saying "no" can be difficult, leading to significant financial commitments that quickly add up.

Mike Tyson, one of the greatest boxers of all time, earned over \$300 million during his career but filed for bankruptcy in 2003. Tyson's financial downfall was due to his extravagant spending, including luxury cars, mansions and even pet tigers. He also faced pressure to support a large entourage of friends and family, which contributed to his financial collapse.

### How to Avoid These Mistakes: Lessons for Athletes

#### 1. Develop Financial Literacy Early

Athletes should prioritize financial education to understand the basics of budgeting, saving, investing and taxes.

## 2. Hire Trustworthy Financial Advisors

Finding a qualified, trustworthy financial advisor is crucial. Athletes should seek out certified financial planners with a proven track record and reputation. It's also wise to have an independent third party review any significant financial decisions to avoid conflicts of interest or potential mismanagement.

## 3. Create and Stick to a Budget

Athletes should create a budget that accounts for both current expenses and future needs. Living within their means, even during peak earning years, is essential to ensuring long-term financial stability. A well-planned budget includes provisions for savings, investments and an emergency fund.

## 4. Diversify Investments and Avoid High-Risk Ventures

Investment diversification is key to reducing risk. Athletes should avoid high-risk business ventures and invest in a mix of assets like stocks, bonds and real estate. Thorough research and consultation with financial experts are necessary before making any investment decisions.

## 5. Plan for Retirement and Healthcare Costs

Retirement planning should start early in an athlete's career. Setting aside a significant portion of earnings for retirement ensures financial security once their playing

days are over. Athletes should also consider long-term healthcare costs, which can be substantial due to injuries sustained during their careers.

## 6. Establish Financial Boundaries with Family and Friends

While it's natural to want to help loved ones, athletes should set clear financial boundaries to avoid being overwhelmed by constant requests. Allocating a specific amount for charitable contributions or family support can help maintain financial stability while still allowing them to give back.

## CONCLUSION

The experiences of athletes like Mike Tyson, Allen Iverson, and Antoine Walker highlight the importance of financial planning for anyone in or aspiring to a professional sports career. Despite their substantial earnings, these athletes faced financial ruin due to mismanagement, poor planning, and excessive spending. To avoid similar pitfalls, it is crucial for anyone earning money, whether through employment or business, to plan for retirement.

A key strategy is to open a retirement savings account with a reputable pension fund administrator, such as Trustfund Pensions Limited. By doing so, you can ensure a secure future and effective wealth management, safeguarding yourself from the financial struggles that have plagued many others.

“Think Financial Security at Retirement, Think Micro Pensions”!

## Sources:

[www.stuff.co.nz/sport/combat-sports/117488748/where-did-312-million-go-boxing-champ-evander-holyfield-on-his-lost-fortune#:~:text=Evander%20Holyfield%20estimates%20he%20earned,from%20his%2057%2Dfight%20career.&text=One%20of%20heavyweight%20boxing's%20biggest,26%20years%20in%20the%20ring.](http://www.stuff.co.nz/sport/combat-sports/117488748/where-did-312-million-go-boxing-champ-evander-holyfield-on-his-lost-fortune#:~:text=Evander%20Holyfield%20estimates%20he%20earned,from%20his%2057%2Dfight%20career.&text=One%20of%20heavyweight%20boxing's%20biggest,26%20years%20in%20the%20ring.)

[www.celebritynetworth.com/richest-athletes/nfl/vince-young-net-worth/](http://www.celebritynetworth.com/richest-athletes/nfl/vince-young-net-worth/)

[www.basketballnetwork.net/off-the-court/antoine-walker-on-what-he-found-most-disappointing-when-he-filed-for-bankruptcy#:~:text=Given%20that%20Antoine%20Walker%20earned,to%20felony%20bad%20cheque%20charges](http://www.basketballnetwork.net/off-the-court/antoine-walker-on-what-he-found-most-disappointing-when-he-filed-for-bankruptcy#:~:text=Given%20that%20Antoine%20Walker%20earned,to%20felony%20bad%20cheque%20charges)

[www.scmp.com/magazines/style/entertainment/article/3257033/how-nba-basketball-legend-allen-iverson-rebuilt-his-fortune-he-blew-us200-million-jewellery-nights](http://www.scmp.com/magazines/style/entertainment/article/3257033/how-nba-basketball-legend-allen-iverson-rebuilt-his-fortune-he-blew-us200-million-jewellery-nights)

[https://en.wikipedia.org/wiki/Mike\\_Tyson](https://en.wikipedia.org/wiki/Mike_Tyson)

A PUBLICATION OF

**TRUSTFUND  
PENSIONS  
LIMITED**

TRUST IS OUR FOUNDATION

📍 Paschal Bayfau Labour House, Plot 820/ 821, Central Business District,  
P.M.B. 254, Garki, Abuja, FCT, Nigeria

☎ 02094628400, 0700-TRUSTFUND/0700878783863, 08069778760

✉ enquiries@trustfundpensions.com

🌐 [www.trustfundpensions.com](http://www.trustfundpensions.com)



@trustfundpltd

**DISCLAIMER:**

*The views and opinions expressed in articles in this publication culled from sources outside Trustfund Pensions Limited are those of the authors and do not reflect the policy or opinion of the Company.*