

## Financial scam artists often prey on wealthy pros

NFL players have been bilked of \$42 million since 1999, and experts say risky jobs spur risky investing.

By Will Shanley  
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Many professional athletes in Colorado and elsewhere are potential targets of investment scams, the result of working in high-profile fields with big salaries, financial experts say.

A recent lawsuit in Georgia involving at least five former or current Denver Broncos aims to recover \$15 million from an Atlanta-based hedge fund accused of defrauding investors. Hedge funds are high-risk, private investment partnerships.

A Wall Street Journal report Friday said the players include Pro Bowl wide receiver Rod Smith, former All-Pro running back Terrell Davis and safety Steve Atwater, a member of the Broncos' Ring of Fame.

Those athletes aren't the first to run into investment trouble. At least 78 other professional football players have been bilked out of more than \$42 million since 1999, according to the National Football League Players Association.

Craig Jones, a Denver-based financial planner who works with about 35 professional athletes, said athletes hold risky jobs and that lifestyle can promote picking risky investments.

"You are talking about men who are in a high-risk business," said Jones. "When you have that competitive edge, you want to roll the dice a little bit more."

Jones said many athletes are in their 20s, flush with cash and inexperienced when it comes to evaluating businesses and investments.



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Matt McDonald, left, and Scott Boatman are partners in ProNet Capital, a private-equity firm investing in resort development. Their client base includes a number of professional athletes.

## ATHLETES: Pros often pitched tips

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Their salaries and signing bonuses are typically large and publicly known, and many of the people they trust — agents, lawyers, financial advisers, teammates and childhood or college friends — constantly pitch them investment ideas.

None of the athletes who invested with the Atlanta hedge fund could be reached for comment.

"Athletes are bombarded with investment opportunities," said Matt McDonald, a former banker and co-founder of Denver's ProNet Capital, a private-equity firm that caters to professional athletes.

McDonald, whose roster of clients includes former Denver Nuggets guard Nick Van Exel, works with athletes and their financial advisers to evaluate in-

vestment opportunities.

Earlier this month, a professional basketball player whom McDonald declined to name was approached about buying oil and precious-metals contracts from overseas brokers. The pitch promised a 600 percent return on investment and asked for \$200,000 upfront. McDonald counseled the athlete against making the move.

Several scammers, including sports agent William "Tank" Blank and financial adviser John W. Gillette Jr., have served jail sentences for bilking money from professional athletes.

In the Georgia case, the lawsuit alleges that Kirk Wright and other principals of the hedge fund, International Management Associates LLC, failed to honor withdrawal requests by players in early December.

The Journal quoted Wright

as saying: "I'm aware of the developments today and will respond to them effectively."

NFL wide receiver Randy Moss, in Denver on Monday to promote Inta Juice, a Fort Collins-based juice-bar franchiser, said he has turned down a host of business ideas during his nine-year career. But he's signing on with Inta Juice as an investor and opening a franchise in West Virginia.

"If you feel it's a good investment ... you take that chance," said Moss. "In order to be successful in the corporate world, there are some risks you have to take."

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