



Wahoo!





Lotto New Zealand (Lotto NZ) has taken every care when preparing this booklet, including consulting with experts to make sure that the information and advice provided is accurate at the time of writing. We accept no responsibility for the continued accuracy of the information or for the results of someone acting on that information.

Ultimately, it is your decision as to what you do, and we recommend you discuss your decisions with a professional financial adviser.

Acknowledgements

We would like to thank the Commission for Financial Literacy and Retirement Income and the Financial Markets Authority for their input into the preparation of this book.



Lotto New Zealand
0800 695 6886
www.mylotto.co.nz

Winners' Book



Lotto New Zealand

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The image features a solid brown background. Scattered across the top and right edges are several small, colorful triangles pointing downwards. These triangles are in shades of cyan, magenta, and dark blue. The word "CONGRAT" is centered in the middle of the image in a large, white, bold, sans-serif font. A small magenta triangle is positioned just to the right of the letter 'A' in "CONGRAT".

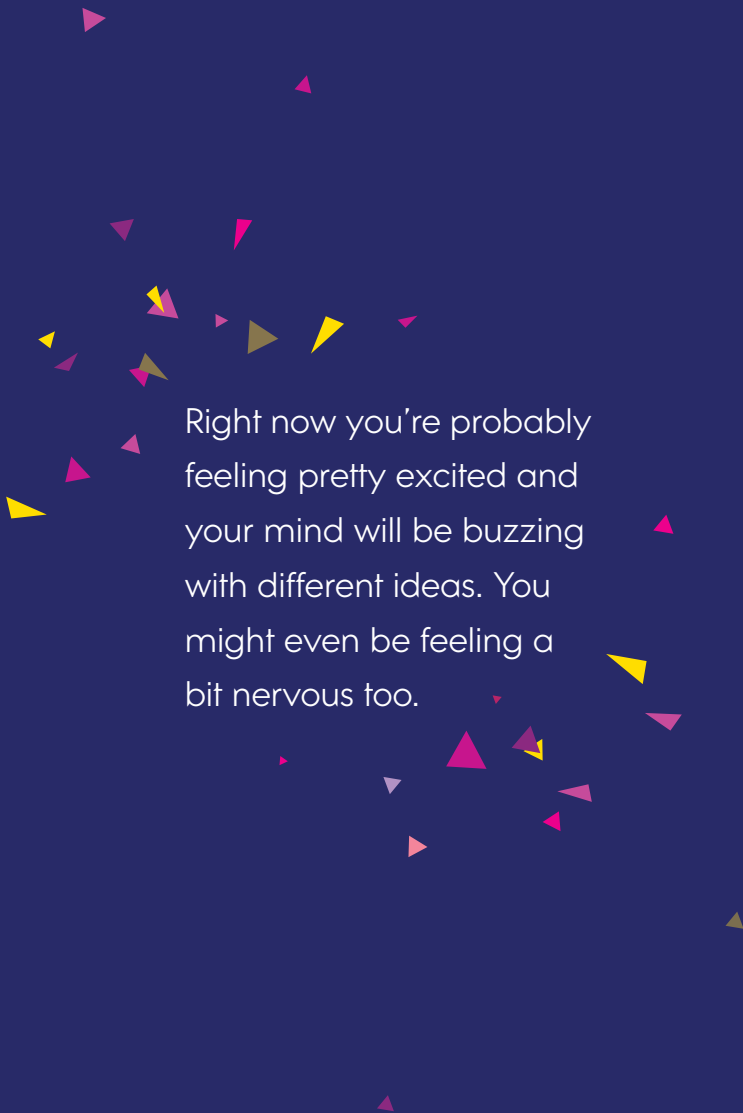
CONGRAT



ULATIONS!

You're a lottery winner!
Welcome to a privileged
club that millions
around the country
dream of joining.

**Winning a
big lottery
prize can be a
life-changing
moment,
bringing
with it a raft
of emotions.**



Right now you're probably feeling pretty excited and your mind will be buzzing with different ideas. You might even be feeling a bit nervous too.

Don't worry,
that's all
completely
normal!

This is a very special time for you. After all, it's not every day you win a major lottery prize! If you have any questions or concerns, feel free to get in touch with us and we'll be happy to help out.

Above all, we want you to enjoy your winnings. This is not a dream. This is a dream come true!

Winners' advice

We asked our previous winners what advice they would give to new winners. This is what they said:

- **Think before you spend:** The overwhelming advice from previous winners is that it's best to spend some time thinking about what you want to do with the money before actually spending it.
- **Secrecy:** Be careful who you tell.
- **Financial advice:** Getting professional advice is also top of the list for many previous winners.
- **Have fun:** Take the opportunity to do things you've always wanted and have a bit of fun, once you've secured some funds for the future.



“ I STOOD THERE
CRYING
WITH
A
BLOODY
GREAT SMILE
ON MY FACE! ”



First things first



After the initial thrill of winning, you'll probably be full of ideas about what you could do with the money.

You may want to pay off your mortgage, buy a new car, treat your family to something special, or take the overseas trip of a lifetime.

All these things may now be possible. With a little bit of careful thought, your lottery windfall can help you achieve your goals.

First questions

Now that the good news is beginning to sink in, you might have some questions. Shall I give up my job? Who should I tell about my win? Should I do something to celebrate? What about those people I've heard of who had a problem after their big win? How can I avoid that? Will I change?

This is a very normal reaction!

Most of our big winners say they experienced highs and lows following their big win. It's natural to have mixed feelings after such a big moment, but these will eventually settle down - just give yourself a bit of time. You don't have to work everything out in the first few days, or even in the first few weeks.

First steps

We suggest the first thing you do is make sure your prize money is deposited into an interest-earning bank account. Once this is done you can take some time to work out exactly what you want to do with it, secure in the knowledge that your winnings are safe and earning interest.

Who should you tell?

It's very important to think carefully about this as soon as you find out about your win. Most of our winners tell their immediate families. Some tell their workmates. Some are happy to tell the media about their good fortune. You don't have to tell anyone if you don't want to - the choice is entirely yours.

Remember that the more people you do tell (including your family), the greater the chances of others finding out about your win.

If you're in any doubt about what you should do, don't hesitate to contact Lotto New Zealand's communications team. We have experience representing winners and we're happy to help.

What if you're part of a group or syndicate?

You may have bought the winning ticket as part of a group or syndicate. The law requires Lotto New Zealand to pay the prize to the ticket holder only - we can't pay out prizes to a group or syndicate. So, if you were part of a group or syndicate that bought the ticket, it will be up to you to arrange payment to the other prize winners.

Tax

You don't have to pay tax on your prize money, but you will have to pay tax on any interest you earn from the money. If you use a financial adviser, they can help you with this.

Managing change

Winning money can impact your life more than just financially. Past winners have found the help of other advisory services useful to help them talk through some of their concerns. These include:

- legal advisers
- church groups
- Citizens Advice Bureaux
- counselling or support groups.

It's not unusual for lottery winners to feel a strong need for support from others. These services give you a chance to talk about your feelings and concerns confidentially, without worrying about the potential of upsetting those around you.

The background is white and filled with numerous small, colorful triangles in shades of blue, purple, yellow, and brown, scattered across the entire page. The text is centered and reads:

“THE WIN CAME AS A

BO



OUT OF THE BLUE™

What next?



Your win will give you greater financial security, and for many of our winners that in itself is a great feeling.

But you're probably wondering what to do next.

A timetable for action

A good place to start is to set a timetable for action.

The best thing to do upon discovering you're a winner is to put your money in the bank and leave it there while you come back to earth. You may like to take out a small amount to play with while you make the big decisions - shout your mates, buy something special or go on a small holiday. It'll help you let off some steam.

At the same time, you should work out a plan of exactly what you want to do with your money. Without this, you may find yourself giving in to spending temptations that you'll regret later. Too many spur-of-the-moment decisions can put other goals out of your reach, which is why a timetable of action is a great idea.

This timetable is a basic plan for action that helps you decide what to do with your money to ensure it benefits you for years to come.

Sample timetable

Immediately

- Decide who you want to tell about your win.
 - Deposit the money in an interest-earning bank account.
 - Decide if you want to spend some of the money straight away. How much and what on? You shouldn't make any major purchases at this stage.
 - Talk to family and close friends about what you might do (if you don't mind them knowing). Think about what you want to achieve over the rest of your life.
 - Decide whether you are going to get professional advice and, if so, who you are going to ask.
-

Within one month

- Work out your new financial position - how much money you have and how much you owe (e.g. on a car or mortgage).
- Start thinking about what you really want to do with your money (these are your "priorities").
- Make a list of these priorities.
- Visit a financial adviser to discuss your new position.

One to three months

- Review your list of priorities.
 - Begin making a financial plan to work out how much money you have and what you could do with it.
 - Now is the time to update your will, or make one if you don't already have one.
-

Three to six months

- Review what has happened since your win.
 - Amend your list of priorities if you need to.
 - Complete your financial plan.
-

Six months to one year

- Review your current financial position. Get further help if you need it.
- Ask yourself, "Am I getting what I want from my lottery win?"
- If you're not getting what you want, write down what's wrong and what steps you can take to make things better.
- Take action to make things better.





IT'S NOT EVERY DAY YOU HAVE

**THOUSANDS
OF DOLLARS**

SITTING IN YOUR

GLOVE BOX

Financial planning



Before you make any major decisions about how you will use your winnings, you need to take a step back. Take a look at the big picture of your current situation and do a little planning.

How much money do you really have?

It's useful to know exactly what your current situation is. This means calculating your net worth - writing down the value of what you own (your assets) and what you owe (your debts) to find out exactly where you stand financially.

The charts on the following pages will help you work out your new financial position.

First, write down the value of what you own. Include any savings and investments you already have - and don't forget your lottery winnings!

Assets

House	\$
Car	\$
Investments	\$
Savings	\$
Lottery winnings	\$
Other assets	\$
Total assets	\$

Now write down what you owe - your debts.

Debts

Home and/or outstanding mortgages	\$
Unpaid credit card balances	\$
Hire purchase and other loans	\$
Other debts	\$
Total debts	\$

If you deduct your total debts from your total assets, you can see your net financial worth.

Net financial worth

Total assets	\$
Minus total debts	\$
Net financial worth	\$

Now you know exactly how much money you have and what you're financially worth right now.

But money doesn't stand still, so you'll need to work out your regular income and outgoings. List the amount of your income (after tax) each month. You may have more than one source of income.


Income

	\$
	\$
	\$
	\$
Total income	\$

Now calculate your monthly outgoings - use the following as a guide. However, each household will be different, so you'll want to come up with something that suits your situation.

Outgoings

Housing	mortgage/rates/rent/maintenance	\$
	electricity/gas	\$
Food	groceries	\$
	other food and drink	\$
Clothing	clothes/dry-cleaning	\$
Education	school/university	\$
Healthcare	doctor/specialists/dentist/ prescriptions	\$
Insurance	house and contents/vehicle/ life/medical	\$
Transport	vehicle - fuel/repairs/registration	\$
	public transport	\$
Savings	superannuation/bank	\$
Other	restaurants/entertainment/movies	\$
	personal cash/lunches/coffees	\$
	anything else?	\$
Loan repayments	hire purchase/credit cards/other	\$
Total outgoings		\$



■ THERE'S NO DENYING IT
MY LIFE HAS
CHANGED.



Financial advice



We recommend you consider seeking advice from a professional financial adviser.

A financial adviser can be a great help, whether you need help with a day-to-day budget or long-term investment advice.

Professional financial advice

There are many good advisers out there, so we recommend finding one that suits you, and that will help you carefully choose the investments that best suit your needs.

All financial advisers, including financial planners, investment advisers, or the companies they work for, must be registered on the Financial Service Providers Register. You can search the register for information about registered financial service providers: fspr.govt.nz

You may also want to consider talking to a financial adviser through your bank.

It's important to know that not all financial advisers have the same qualifications and experience. We've created a checklist that will help you work out whether an adviser has the right qualifications and experience to suit your needs.

You can also ask your financial adviser for a disclosure statement, which may provide you with information about their background in the investment field, how they charge for their services, exactly what services they offer, whether they have any conflicts of interest and their education in finance.

It's important that you feel comfortable with what the adviser is telling you and that you feel you can trust them. If you don't feel comfortable with the first adviser you meet, don't worry - there is a huge range of advisers, so take the time to find the right one for you.

Questions to ask your adviser

Before you decide which adviser is right for you, you may want to ask them some of the following questions. This will give you some idea of their background and style of work. Further advice on finding the right financial adviser for you can be found at sorted.org.nz

Do they give an initial free consultation?	Yes	No
How do they get paid for their advice - by the investment companies or entirely by you?		
Who handles your money?		
What qualifications does the adviser have?		
How much experience have they had in giving advice?		
Are they registered on the Financial Service Providers Register?	Yes	No
Are they a member of a professional association?	Yes	No

Are they associated with a particular financial services company or group of companies?

Yes No

Where does your investment go?
(Make sure your savings go directly to reputable, well-established organisations).

What information will you receive about your investments?

How do they keep up-to-date with developments in the market?

Do they use outside research organisations?

Yes No

What other sources of information do they use?

Are they willing to put you in touch with other people who've used their services for a testimonial?

Yes No

The cost of advice

When you contact an adviser, ask them how much their advice is going to cost you. Ask for an itemised quote or estimate for their services and get it in writing. Remember that there's a difference between a quote and an estimate. A quote is exactly what you'll have to pay. An estimate is just that, and the final cost may vary.

Some advisers will give you the first consultation free of charge and then charge after that, while others will charge you for the first consultation as well. Be sure you know exactly what costs are involved before you meet with someone.

If you're unhappy with the advice you've been given, you don't have to follow it (but you will have to pay for it, unless it was given at a free consultation). It's your money and ultimately only you can decide what's best for you. If you're not happy with your adviser, you can always change to another.

There is a
huge range
of advisers,
so take the
time to find
the right one
for you.



**“ WE BOUGHT A
BACH**

EVERY TIME WE GO THERE

**WE FEEL
LUCKY.”**





Setting your priorities



There are no set rules about how much of your winnings you should spend or invest.

What's important for you

It's up to you to decide what you want from your prize money, so setting priorities is really useful. Make a list of what is most important to you - do this in the boxes on page 39.

What's important to you will be influenced by your age, family situation and the amount of money you have won. Your professional adviser can help you decide what to do, but your own thoughts and feelings are still the most important.

You may think being debt-free is one of the best things in the world, or you may feel that a new house or an overseas trip should come first. There's no right or wrong answer - you should make decisions that feel right for you.

Need some inspiration?

Here are some examples of how other lottery winners have chosen to spend their money:

- buying a new house
- sharing money with friends and family
- paying off debt
- buying gifts
- investing in shares and bonds
- starting a new business
- putting money away for retirement
- taking a trip
- buying a new car
- giving up work
- buying new furniture
- retiring
- setting something aside for children's (or grandchildren's) education
- buying a boat
- helping local community groups

Some of your priorities may not require immediate funding - for example, university education. But you'll need to invest the money until it is needed.

Working out your priorities means making some pretty major choices. You have to decide whether one thing is more important than another. For example, if you spend all your winnings on buying a house now, you may leave nothing for your retirement later.

You should aim to come up with a balance so that you can successfully achieve everything you want with your winnings.

Look at your debts

Many financial advisers will tell you that one of the best and easiest investments you can make is to pay off your debts. Debt costs you money and the more you can reduce your debt, the better your financial position will be.

Your job

You may want to leave your job, but don't rush into it – although you've won a lot of money, you may still need a regular income.

If you've been unhappy at work and have been waiting for a chance to leave, this is a golden opportunity. However, if you enjoy your work – the job, your workmates, the routine and security it provides – don't give it up without being sure it's what you really want.

Retirement

You may want to retire. However, many people underestimate how much money they'll need for a comfortable retirement. Even if you're close to retirement, it's easy to spend a lot of your winnings very quickly, especially if you give up work and use your winnings to replace your normal income.

Talking to a financial adviser will help you work out what you need for a comfortable life after retirement.

Working out your priorities

Most important	
	\$
	\$
	\$
	\$
Cost	\$

Important	
	\$
	\$
	\$
	\$
Cost	\$

Nice to do	
	\$
	\$
	\$
	\$
Cost	\$

Once you’ve worked out your priorities, your financial adviser can help put them into action. Be sure to take another look at this list in a few months’ time. What you feel is important may change, and you should update your priorities accordingly.

What about insurance?

One thing you can't afford to overlook is the possibility of accident, illness or death and their unexpected costs. Having insurance means that you pay someone else to share these costs with you.

Even if you already have insurance, you should find out whether you have the right type of insurance for your new situation. You can discuss this with your professional financial adviser.

Do you have a will?

If you die without leaving a will, it can cause a great deal of trouble and upset for those close to you. If you die without a will and no relatives can be found, your estate (all your assets and possessions) will go to the government.

If you don't already have a will, now is the time to write one. Make a note of your assets and possessions (use your financial plan), including details of your house, mortgage, bank accounts, insurance policies and investments.

Then decide who you want to leave all of your assets and possessions to - list your second choices as well. With this done, you are ready to arrange a will yourself or through a lawyer.

If you already have a will, have a read over it and see if it needs updating.

Don't put your will off - and make sure your family knows where it's kept.



An aerial photograph of a sandy beach and ocean, overlaid with a dense pattern of colorful triangles in shades of blue, purple, yellow, and brown. The text is positioned in the lower half of the image.

“IT’S INCREDIBLE
WINNING
HAS SET US UP FOR LIFE”

Information about investing



You may decide you would like to invest some of your winnings. It's important to take the time to pick the investments that are the best fit for you - your financial adviser will be able to help with this.

Thinking about investing

Investments are not one-size-fits-all - there is no one investment that is “right” or “best”. With your list of priorities, you and your financial adviser can decide what investments are right for you to help you achieve your goals.

Considering your options

There are lots of things to consider when deciding which investment options are best for you:

- Purchasing a rental property may be an option, but you may not want the hassle of tenants.
- You might prefer the security of a bank and choose an interest-earning bank account.
- Tax benefits may be important to you.
- Or you might simply look for the easiest way to have your money looked after, without having to think about it yourself.

No single investment can do all of these things. Different investments have different benefits and they all involve an element of risk. The general rule is: the lower the risk, the lower your return will be.

Your best protection is to spread your money across a number of different investment areas. This is called diversification, which basically means you don't have all your eggs in one basket. By not putting all your money into one thing or a single type of investment, you reduce the overall risk you are exposing your money to.

Ask your financial adviser to explain what diversification means and ensure you are clear about how it works. After all, that's why you have an adviser - to make sure you understand what you're doing and why.

Finding the right investments for you

Don't be put off by the number of investment options available. Ultimately there are just two decisions you need to make - which investments are right for you and how you go about actually making the investment.

There are an enormous number of investment types available - too many to make sense of on your own. Unless you are prepared to spend a good deal of time studying the investment market, there really is no substitute for getting good advice from a registered financial adviser.

This means you can focus on understanding the recommended investment options, rather than trying to understand the entire investment market. Make sure you get the person who is advising you to explain everything about the investment options they're recommending, so you are clear on exactly how they work.

What is risk?

In investment terms, there are two main types of risk:

1. You may lose some or all of the money you have invested.
2. You may not get the returns that you expected on your investments.

Most people will accept some risk for the opportunity to obtain better returns. However, it's important that you assess how much risk you are willing to take.

Make sure you ask your financial adviser to explain the risk associated with each investment, so you can make an informed decision.

Investigate before you invest

Before you make any investment decisions, make sure you know what you're getting into. Always get details of investments in writing and know who you're dealing with. Just asking a few simple questions at the start can save you a lot of complications later on.

Keep up-to-date with your investments

You should regularly review your investments. Only you know how your circumstances are changing from month to month and year to year - and these changes may affect which investments are best for you.

Nobody will take as great an interest in managing your money as you, and ultimately the responsibility for any action you take has to be yours.

Some investment advisers recommend you take a second look at your investments after three to six months, and then review them once a year from this point on.

Don't forget that you can phone your financial adviser at any time for advice or to find out how your investments are tracking. Keeping a close eye on your investments can help make sure that you meet your goals.

How to find out more

The website for the New Zealand Commission for Financial Literacy and Retirement Income is a great place to start learning about investing and managing your money: sorted.org.nz

The background is a solid brown color. It is decorated with several small, scattered triangles in blue, yellow, and purple. The text is centered and consists of three lines. The first line is in white, the second line is in purple, and the third line is in white. The word 'TICKET' is significantly larger than the other words.

**“I DIDN'T LET THE
TICKET
LEAVE MY SIGHT**



I EVEN
SLEPT
WITH IT!

Other big winners



We recently contacted past big Lotto winners, who told us about the impact winning had on their lives and shared their stories of how they used their winnings.

Big winner facts

Here are some of the interesting facts we discovered about our big winners:

How did you win?

- **73%** of big winners surveyed won with a Dip ticket

Where were you when you found out you'd won?

- **32%** were in their local Lotto store.
- **27%** were checking online.
- **26%** were watching the live Lotto draw.

Where did you keep your winning ticket?

- **23%** kept it in their purse or wallet.
- **11%** kept it in a drawer.
- **5%** kept it under their pillow.
- **Some unique answers:** in a bible, held it all night, in a travel pouch around the neck.
- Three separate winners kept their ticket in a **"secret hiding place"** in their house.

Who did you tell about your win?

- **19%** just told their other half.
- **31%** told their immediate family.
- **8%** told everybody.
- **5%** told nobody.

What are some of the “wildest” winning purchases?

- A professional tattoo
- Throwing a big birthday party and inviting all their friends
- A face lift
- A second-hand Porsche
- Fertility treatment
- A gastric bypass
- Prada shoes
- Bagpipes
- A buffalo-hunting trip in Australia

What was the first thing you bought?

- Wine or food was the first thing 19% of winners spent their winnings on – most commonly bottles of champagne and family dinners, featuring everything from Moët and McDonalds’ to eating at a five-star restaurant.

Did you keep working?

- **85%** of our big winners kept working and remained in the same job as before their win.

Do you keep playing Lotto?

- **98%** of big winners still regularly buy Lotto tickets.
Who says lightning doesn’t strike twice?

Did you give any money to charity?

- **52%** of our winners give money to charities with some of the most popular charities being the SPCA, Westpac Rescue Helicopter, Cancer Society, Child Cancer Foundation and local hospices.

The future is yours

The decision about what to do with your winnings is entirely yours - you will shape your future.

We hope this booklet helps you to better understand the steps ahead of you, make your goals easier to reach and, of course, enjoy your winnings!

We wish you all the best for the future, and hope you'll look back on the day you found out you were a winner as one of the happiest days of your life.







lottonz.co.nz

PO Box 8929, Symonds Street
Auckland 1150
73 Remuera Road, Remuera
Auckland 1050
New Zealand