

News Release

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What would you do if you won Lotto?

With Lotto's Powerball reaching \$43 million there will be plenty of people wondering "what would be the first thing I would do if I won all that money?"

You might think of a nice dinner with family. Or booking a holiday. But what about buying some clothes for work?

That was top of the list for one of the prize winners who have been assisted over the years by the team at ANZ Private.

"Winning the big prize in Lotto is a life changing event. Even if you have dreamed about it for years, nothing quite prepares you" says Daniel Ryan, a regional manager with ANZ's Private team.

When someone wins the big prize, Lotto NZ will always suggest they get financial advice.

It's Daniel who gets the first call whenever that winner is an ANZ customer.

"The big thing for most people is that winning is just completely out of this world. A lot of times when they get in touch, they haven't gone to get the money put into their account yet."

The prize winners will often put the money on a high interest-bearing account for a few months, so they can take things slowly and have some time to think.

"Our job is to take an independent approach and slow things down so they can make informed decisions. I'll typically ask if they have trusted advisors, such as a lawyer or accountant, and whether they have told anybody. We can help them with longer term investing but importantly we also support them with introductions to independent professionals, so they can get the right people around them. It helps ensure they are well placed to make good decisions for the longer term."

Among the prize winners that ANZ has helped has been the winner of a \$44 million prize and another one for \$27 million. There have been a number in the \$6 - \$15 million range.

Each winner reacts differently.

"We had one recently who very much knew exactly what they wanted to do, the term deposits they wanted and what rates were available. But we have had people who are scared to spend anything.

"With one we said, 'go out for dinner'. They said 'Oh, we don't want to do that. We'd rather tuck it away for now.'

“What they did want to do was buy some clothes for work.”

While we might all dream of winning Lotto and quitting work the very next day, that’s not what Daniel and his colleagues typically see happen.

“My experience is that they keep doing what they are doing. They don’t just chuck it in. When it becomes reality, they say ‘I want to keep it quiet. I don’t want to get too flashy; I don’t want to change my lifestyle or my children’s lifestyle.’”

Winning Lotto can present choices – and challenges – similar to those faced by someone who sells a business or receives an inheritance.

“You need time to step back and make good decisions.”

For Daniel and his ANZ colleagues, it’s extremely satisfying to help people make smart decisions with their money.

“The most common thing people do is buy a house or renovate. But when they do it’s usually still quite modest. They don’t generally go and buy a ten-million-dollar house.

“A lot of our prize winners have never owned a home. And I think a lot of them want to stay in their own community. It’s not like they planned for this. Yes, they have won this money, but they never thought they would.”

Helping their children, travel and charitable donations are all on the to-do list for winners that Daniel and his colleagues have helped.

“Most of the people we help have not had a lot of money before this. It’s great to help them make smart decisions with their money.”

Here are some ideas ANZ gives customers who find themselves coming into a significant amount of money:

- **Consider putting the money into an interest-earning bank account.** This will give you the opportunity to take time to work out your long and short-term plans. Don’t rush out and start spending. Treat yourself to a nice dinner or bottle of champagne. But carefully consider your options before you make any big decisions.
- **Seek professional advice.** It is important to find legal, investment and accounting experts who have proven experience in helping people who have experienced a similar life-changing event.
- **Keep your circle of trust tight.** It can be a big mistake to tell too many people, including sometimes relatives. They may expect you to share your winnings with them and this can lead to problems. It’s up to you to decide how you want to help your family and friends.
- **Consider investing in assets that will provide a steady income.** Get advice on assets that provide income that will grow and compound over the long term and could provide you with income for the rest of your life.

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