

## Annuities and Decumulation Products

**Milton Jennings**  
CEO-Fidelity Life

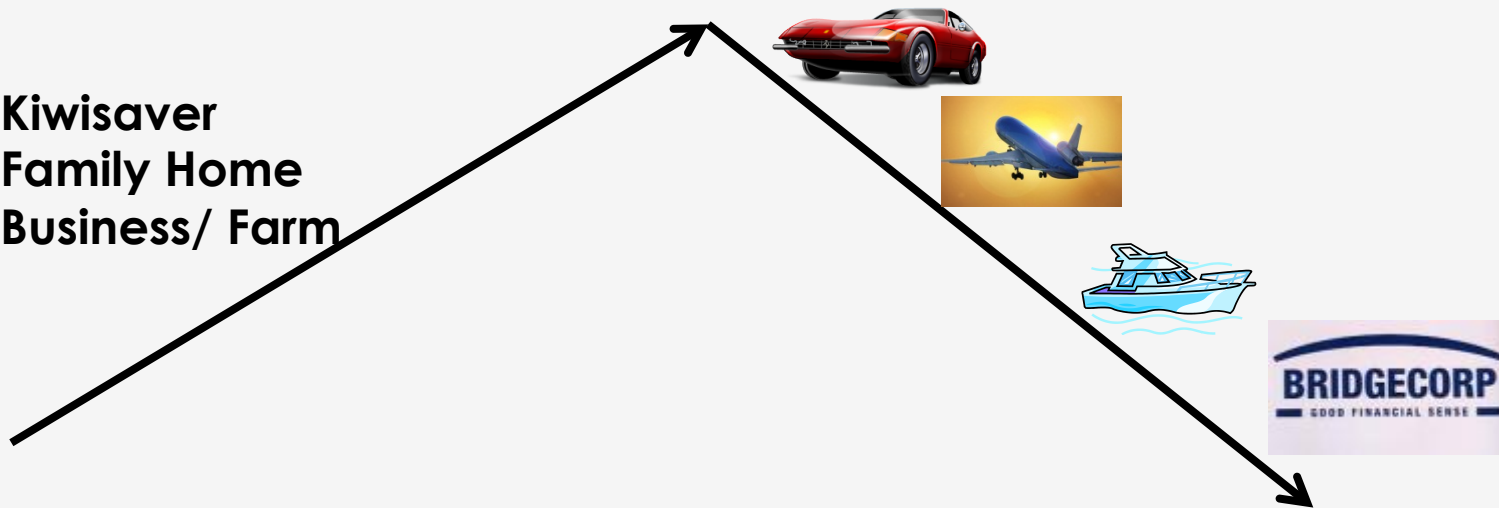
## OECD Summary

“**New Zealand** also has a very small annuity market, though, in contrast to its counterpart across the Tasman Sea, this is primarily due to the very low levels of private pension savings resulting from the comprehensive social security and absence of tax incentives.”

*OECD working paper on Insurance and Private Pensions ,No 24.*

# Accumulation and Decumulation

- Kiwisaver
- Family Home
- Business/ Farm



## Reasons Exiting Annuities Market



- No Market
- Cost of “Plain English”
- Directors Liability

## Shift of Risk

- Fixed Nominal
- Term annuity
- Inflation Linked
- With Profit
- Market Linked
- Programmed Withdrawal



**Provider**

Longevity  
and  
Market risk

**Annuitant**

## Get Fidelity Back in the market



- Demand
- Return versus the risk
- Complex taxation issues
- Capital, disclosure benchmarks, product standards
- Longevity risks
- Market risks- lack of financial instruments

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