

SM bonds vs Mercer Lifetime Plus (MLP)

MLP: tontine fund, common pool, capital invested at low risk

Feature	SM bonds	MLP
Who carries longevity risk?	M bond holders	annuitants
Survival payments known a-priori?	yes	no
Purchase decision	throughout life	upon retirement
Surplus final capital?	none	?
Pricing?	market	?
Public/Private?	partnership	private
Government savings?	yes	yes
Easy large scale implementation?	yes	?
Longevity market?	yes	no