Original post

CMV: the Tontine should be legalized and made a common retirement strategy.

[Reference URL omitted] Basically, today we have a huge problem with retirement [...+73 words]

A tontine for retirement looks like [...+56 words] The yearly sum is divided evenly for all the surviving participants [...+25 words]. The key advantages as I see it are:

*We don't need actuaries [...+29 words...]
*Management fees can be quite low [...+22 words]
* [Another reason]
* [Another reason]

But CMV. Are there major risks I am not forseeing? [+2 more questions]

A tontine is a pretty crappy retirement vehicle for most people. It pays out the least when you need the most, and the most when you need the least.

Δ

People's income needs in retirement generally fall as they age. [...+35 words]
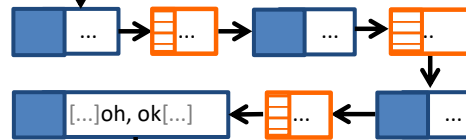
[URL]

Very interesting. I'll give a **Δ** because I didn't have any idea that was true and changes my idea of how the tontine should work. That said, I don't think it's unsolvable [...+44 words]

[DeltaBot] Confirmed: 1 delta awarded to [red]

The Social Security system is basically one giant Tontine [...+13 words] So it's already legal.

There are some key differences though. First, Social Security is defined by the government [...+36 words]

I'd imagine the tontine as a secondary system to social security though, one that is optional for people to do, not mandatory like social security. [...+11 words]

And a tontine would be defined by your bank [...+79 words]

... → ... → ... → ...

[...]oh, ok[...] ← ... ← ...

Good points. I still am not sold [... > 100 words]

Then your back to needing actuaries, to predict [...+11 words]

Depends how exact you need to be [...+33 words]