R/P America Life Services

R/P America Life Services is a unique wealth advisory group focusing on premium financing of life insurance for high net worth individuals. We are in the business of selling and financing Moody's and Standard and Poor's superior A+ rated life insurance products issued by life insurance carriers all of whom have been in existence for more than 125 years and are the most profitable life insurance carriers in the world. These A+ rated life insurance policies are approved by financial institutions to be sold and financed to high net worth individuals/clients who are currently anticipating estate planning in the future to minimize their estate tax and preserve assets and wealth for their family. R/P America Life Services sells utilizing premium financing structures. Premium finance allows for the premiums to be financed so that the insured does not have to come out-of-pocket for the premiums to pay for such policies.

Premium financing of life insurance is not a new concept. It has been an option available to high net worth individuals for over forty years. In its basic form, a bank lends both the premiums and interest to pay for the insured's life insurance policy, which typically is either a Whole Life or Indexed Universal Life (IUL) policy, and the loan is paid back through the cash value and/or death benefit. Over the years, this finance structure has evolved. For instance, originally individuals who participated in premium financing needed to qualify with a minimum net worth of $50M. As time went on banks realized that these premium finance loans were one of the safest loans on their books with a default rate of only one percent, which is substantially lower compared to that of other business and commercial loans. The net worth requirement was then lowered to $10M. Furthermore, banks participating in this finance structure were comfortable given the fact that the policies being funded were issued by AA+ or higher rated insurance companies that are over one-hundred years old with a proven track record of performance and they were also guaranteed to get paid back because of the inevitable death of the insured.

Although this may seem like "free insurance," originally clients did have to pay interest payments year-by-year and post short-term collateral in addition to moving substantial assets to the financing banks. However, today premium financing programs allow clients to accrue the interest saving them on that cost and allows them to keep their portfolio as is without having to move assets to an outside institution.