



Loan for Life™ FAQ's

What is a “Loan for Life™”?

A “Loan for Life™” is a non-taxable, non-recourse fixed interest rate loan against a whole life insurance policy, which is secured ONLY by the Policy – there are no additional collateral or personal guarantees required. The term of the loan is fixed at the earlier of the policy maturity date or death of the insured.

Does my client's policy qualify for a “Loan for Life™”?

Yes, If you have a client with a whole life insurance policy with a cash account value of \$250,000 to \$10,000,000+. In some cases, we will consider policies outside of those parameters.

How do you determine how much cash a client can borrow against their policy?

The amount the Owner can borrow and how much beneficial interest they keep is determined by the Lenders individual underwriting which considers a number of different factors including: the cash value, the death benefit amount and interest rate of existing policy loan (if any), dividend/crediting rates, premium cost, and historical policy performance.

What types of policies qualify?

Whole life insurance policies which have been in force for more than 2 years. Contact us today to see if your client's policy qualifies.

After loan closes, is my client restricted on how they can use the cash proceeds?

No, there are no restrictions on how your client can use the funds they receive from the loan.

Are the proceeds from the loan taxable?

No, the loan proceeds from the policy are not taxable

What are some of the reasons why my client might consider a Loan for Life™?

- The policy is no longer needed or wanted
- Premium payments have become too expensive
- May need funds to pay personal expenses
- Estate planning needs may have changed
- Policy is at risk of lapsing due to existing policy loan from the carrier

Not available in all states. Contact us today to see if your policy qualifies.

Harbor Life Brokerage has been appointed by FairMarket Advisory Services as an authorized Distributor of the Loan for Life™ program.

Will my client incur any costs/fees in order to receive an offer?

NO, there are no costs or fees charged to your Client (or to you).

What happens to the policy the loan closes?

The policy ownership and beneficiary remain unchanged. Future premiums will, upon request, be paid by the Lender and added to the loan amount due. The Client's beneficiary will retain an interest in the death benefit, which will be paid (tax-free) by the Carrier upon the death of the insured.

Is my client's personal information kept confidential?

Yes, all financial and other personal information obtained during the course of the transaction is treated with the utmost confidentiality and will not be disclosed to any unauthorized party.

How long does the offer and closing process take?

With the correct submission documentation, you and your client will receive an offer in 5-10 business days. Following

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