

Case Study:

How the Infinite Banking Concept Takes the Theoretical and Moves It Into the Practical

With over 30 years of experience in the financial planning industry, Wade Both and Sage Wealth Strategy have helped countless clients achieve their financial goals. As a wealth strategist and certified infinite banking practitioner, Wade has the expertise to guide clients as they embark on the pathway to prosperity. When it comes to wealth-building strategies, Wade educates and empowers clients to get creative, giving them the means and mindset necessary to build a financial legacy that lives on for generations.

Mitch N. was no stranger to the infinite banking concept (IBC) before he began working with Sage Wealth Strategy. He was first introduced to the IBC through a podcast. Finding it intriguing, Mitch started to do some independent research. Eventually, he stumbled upon a website that helps people connect with an IBC practitioner by state and decided to check out his options.

He currently lives in Texas, but Mitch is originally from North Dakota. Out of curiosity, he decided to see if there was a practicing agent in his home state. He recalls, "there were some [practitioners] here in Texas that were available, but I decided to see if there were any in North Dakota and Wade's name came up."

Remarkably, Mitch and Wade went to college together — it's a small world after all. Their connection sealed the deal for Mitch. **"I thought I would give Wade a call instead of working with someone [in Texas] that I don't know."** And, so, their partnership began.

LEARNING TO STOP LISTENING TO ADVICE MEANT FOR THE MASSES

The financial industry is rife with "experts" offering advice on various financial products, strategies, and tools. Just with like most things, opinions on what is the best approach to growing wealth varies from one person to the next. In Mitch's case, he ran into many people advising against the infinite banking concept. He notes, **"There are some popular teachers out there offering advice that is very black and white about utilizing insurance policies. They tell people that a whole life policy is not the way to go. These teachers are saying to stay away from whole life and only use term-life."**

While there is some great advice out there, it's crucial to remember that everyone has a different financial situation. Teaching clients not to get too caught up in advice in the masses is something Wade



is passionate about. He challenges them to move beyond conditioned thinking and to employ strategies tailored to their unique lifestyle and goals. Failing to do so can be detrimental. Not only will you not achieve the results you want, but you'll waste valuable time and money in the process.

Wade's approach to thinking outside of the box and taking a different path than the masses appealed to Mitch. **"You have to overcome that teaching even to start to consider whole life insurance policies. Like with everything else, you have to look at the whole picture and not just the simplistic perspectives that are being taught,"** he says. This mindset and willingness to think critically about how his money is working for him has helped Mitch be successful, both with the infinite banking concept and real estate investment.

MOVING THE THEORETICAL INTO THE PRACTICAL

Though he's been using properly structured whole life insurance to build a warehouse of wealth for a few years, Mitch admits he was a little skeptical at first. **"The books do a great job explaining the process, but you kind of wrestle through it and try to figure out where the holes are. You can't help but think there's no way that's how it works."** Wade's guidance and Mitch's mathematics degree made it easier to wrap his head around the process. He goes on to say, **"Once you get [the math] down, it doesn't take long to understand how it works and why."**

Wade explains the infinite banking concept to his clients with a simple

illustration of flowing water. Money, like water, has to flow. Money that remains stagnant eventually evaporates. In contrast, when we put our money in motion, it continues to grow. The key to helping it flow is to do it the right way, which doesn't always involve the bank or traditional wealth-building strategies.

This lesson is one Mitch learned early on. **"Instead of just leaving my money in a bank account and saying I have access to all of my money anyway, but with a [properly structured] whole life insurance policy, my money is growing at a significantly higher rate than a savings account with no risk. I've also invested in stock, and there are times when it's gone well and times when it's gone poorly, but you don't have that with the IBC."**

That's the beauty of using this non-conventional method as an alternative to traditional investment products. You have the potential for gains, but there is zero potential for loss — you can never go backward. The other benefit is that your money is never held captive the way it is in a tax-deferred account like a 401(k). **"There's a lot of red tape with a 401(k),"** Mitch notes. **"Even though you have the benefit of not paying taxes on your 401(k) contribution on the way in, you have to pay them on the way out ... It's all math, but you have to think about the whole life cycle, not just the return when it's in the account."**

CREATING A LEGACY BY GROWING GENERATIONAL WEALTHY

Mitch has been working with Wade for several years now and has seen

great success since adding the infinite banking concept to his financial strategy. He believes in the process so much that he eventually got his kids involved. He's now added policies for all six kids to his portfolio, and he hopes they'll take out their own policies one day. **"I came to the conclusion that the infinite banking concept is a good tool to use for managing money and showing them how it works,"** he remarks.

Wade is also a big proponent of getting the younger generation involved in this process early on. Although the infinite banking concept produces excellent results even if you start later in life, the earlier you get started, the better. Teaching your kids, grandkids, or even your nieces and nephews to make thoughtful decisions about their money from a young age sets them up for success later in life. Understanding how money can work for you is vital to making sound financial decisions now and in the future. Properly structured whole life policies can be used to help them finance big life moments without relying on the bank, whether it's purchasing their first car or paying for post-secondary education.

Another benefit of the infinite banking concept is that it can be passed down from generation to generation, creating a legacy like no other. As long as it is managed with discipline, it will continue to grow year after year. When they're ready, Mitch plans to pass his policies onto his kids. He says, **"We still own the policies, but at some point, we'll turn over ownership to our kids. That value is something that they can access as they move forward as well."**