

Case Study:

Using the Infinite Banking Concept to Grow Generational Wealth

Wade Borth, the wealth strategist behind Sage Wealth Strategy, has over 30 years of experience in the financial planning industry. As an industry expert, Wade has helped countless clients achieve their financial goals and grow multi-generational wealth using properly structured whole life insurance policies. Sage Wealth Strategy calls on this experience to educate and empower clients to take control of their money.

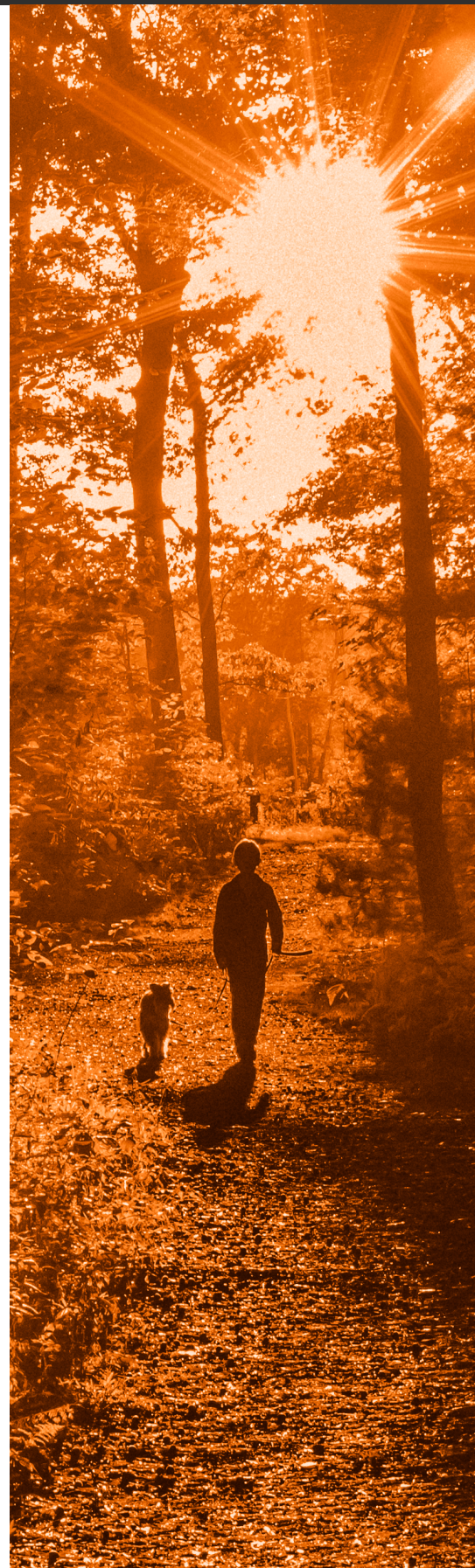
When Beth H. got in touch with Wade for the first time seven years ago, she had already started the process of taking control. **"I had been researching life insurance policies that contain a paid-up additions policy and was directed to Wade"** through Paradigm Life. Founded by Patrick Donohoe in 2007, Paradigm Life teaches people about financial strategies outside of wall street—including actuarial-based financial products. These wealth-building methods include the infinite banking concept, which is what Beth had been researching.

"What interested me most about life insurance policies with paid-up additions is having a vehicle that

is different from an IRA where any funds you invest are stuck there until you're 59 ½. They might also be taxable when you withdraw them and have limited utility or use because the cash is stuck there. We tend to purchase rentals, so having access to cash for repairs and other things is necessary. I was looking for a vehicle that still allowed cash availability but also did other jobs. The life insurance component not only earns interest, but it also buys life insurance and I can use the cash value by taking a loan against the policy whenever I want," she recalls.

LETTING GO OF CONDITIONED THINKING

While the infinite banking concept appealed to Beth, she was a little skeptical. **"I think everyone is so ingrained with 401(k)s and IRAs and... it's one of those things where it seems too good to be true, so there must be something wrong with it."** She also questioned how it worked and why an insurance company would want to offer this type of financial benefit.



In the past, Beth had worked with other financial advisors only to find that the products and strategies they recommend didn't align with her goals. She says, **"I've been in a variable life policy before trying to do something like this and later realized it was the wrong vehicle. My initial concern was not getting back into the same type of product" and "I don't necessarily want to subject a whole lot to the stock market or tie up a lot of money in IRAs that I can't use."**

EDUCATING & EMPOWERING

Unlike other financial experts, Sage Wealth Strategy's mission isn't to sell traditional financial planning products; it's to help clients develop strategies that fit their unique lifestyle and goals for the future. The first step is always getting to know the client in order to better understand what those goals are. Wade helps clients identify their "why" and takes a deep dive into their current and past financial planning strategies to determine what has or has not worked. He then takes all of these things into consideration when creating a financial plan.

In talking with Beth, Wade was able to determine that she fell into the "risk-averse" category. Understanding her concerns allowed him to address them head-on. Knowing that the client was interested in adopting the infinite banking concept, he clearly outlined the benefits, risks, and processes behind the method. She notes, **"Wade was very good about walking me through different scenarios and the stability of life insurance."** It made it easier to

understand the **"stability of the life insurance product, vehicle and market, and how life insurance companies make their money so they can pay interest on the cash that I have with them."**

Wade also explained what it takes to make the infinite banking concept work: time, money, and discipline. Teaching the client these tenants beforehand prepared her to do the work to make the infinite banking concept work for her. Realizing from the get-go that this method doesn't produce instant results helped her remain patient and steadfast in her strategy. She recollects, **"it actually started working within two years. I was able to take policy loans to do some repairs and things like that. Now that I'm six, seven years in, it's not only having built up enough but also having a rainy day fund. We can use our cash and other investments and take full advantage of them, and still have a backup plan in the life insurance policy that is also earning interest and buying life insurance at the same time."**

BUILDING A WAREHOUSE OF WEALTH

Wade has given Beth the tools to successfully take control of her finances throughout the last seven years of their partnership. Since she started working with Sage Wealth Strategy, she has continued to grow her warehouse of wealth, adding additional life insurance policies and teaching her son about the infinite banking concept. Beth is well on her way to creating generational wealth by passing on her knowledge of how to use properly structured whole life insurance policy to grow wealth.

When asked what it's like to work with Wade, she has many complimentary things to say: **"Wade is very honest, approachable, reliable, and patient. He's also a knowledgeable expert in his field and will direct you on the right pathway. He truly wants to help his clients find the financial product that best fits their needs."** Though Beth has been working with Wade for more than half a decade, she says that he is still as invested as day one. This is one of the most significant benefits of working with a wealth strategist like Wade. While clients are encouraged to take control of their finances, Wade maintains an active role and checks in with each client periodically.

Taking the leap and reaching out to Wade has altered Beth's life for the better. Building a partnership with Sage Wealth Strategy and implementing the infinite banking concept have changed how she thinks about money. As a self-identified saver, Beth appreciates how the financial vehicles she uses have given her more financial freedom. Rather than her hard-earned dollars sitting stagnant in the bank, she can put them to work. She remarks, **"Now I can have that money doing multiple jobs by having it in the life insurance product. It's earning interest, it's buying more life insurance, and I'm building a legacy for children and grandchildren in the future that will be tax-free."**

