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# Vanguard

How  
Whole Life Insurance  
Rescued My Client from  
the Devastation of

# HURRICANE HARVEY

By Clay Campbell

I work with a diverse group of clients. Some of them have extensive financial portfolios, filled with a variety of products, and they're accustomed to riding out the market's ups and downs. Others have little or no tolerance for risk and seek guaranteed returns. A few of my clients spend hours researching answers to their financial questions and then turn to me for guidance. Others depend on me to suggest answers to their questions from the very beginning.

In February 2018, I received an email from a client who first contacted me about a year earlier because he had heard of my experience helping people with R. Nelson Nash's Infinite Banking Concept® (IBC). The purpose of his email was to tell me how the whole life insurance policy he bought from me rescued him after Hurricane Harvey devastated Houston, Texas, in the summer of 2017. Here's a summary of my client's story and a few comments on how I can help people.

## The Advantage of Guarantees

In 2010, my client began researching different methods to accumulate money after one of his friends confessed that she had lost more than \$100,000 in her 401(k) plan during the Great Recession of 2008. He told me when we first met that something about his friend's story didn't sit well with him because that person had worked hard and diligently saved money for over 30 years.

Through his research, he had discovered Nash's book, *Becoming Your Own Banker*, in which Nash explains the IBC, and he was impressed with it. Basically, the IBC uses a whole life insurance policy as a method for accumulating funds, borrowing against the policy's guaranteed cash value throughout life to purchase tangible and intangible goods, and then paying this money back so it's available for future loans. The concept made sense to him, so he decided he would try it. This led him to find me, because I have been successfully using the IBC with my clients for many years.

After meeting with him for the first time, I gave him additional material to read on the IBC and suggested he buy Horizon Value™, a whole life product from Mutual Trust Life Insurance Company®, that offers one of the best early cash value guarantees in the industry. After a few more conversations, he took my advice and bought a policy.

## Peace of Mind/Financial Flexibility

When he purchased the policy, my client was 37 years old. His policy generated guaranteed cash value immediately and will continue to build guaranteed cash value that he can take out loans against whenever and for whatever reasons he chooses, including to later supplement his retirement income.

Although my client bought his policy with plans to eventually use its living benefits, he didn't know how quickly he would start using them and the impact they would have on his life. On August 25, 2017, approximately two months after he bought the policy, Hurricane Harvey devastated his hometown of Houston. My client lost everything.

On August 26, he called me and told me he needed a loan. I helped him fill out the short loan request form required by the insurance company and sent it to the company's Payments & Benefits Department. Within two days, he received a check. The money enabled him to rent a desperately needed apartment and a car.

Because my client was able to borrow against his whole life policy, he got his money quickly. He wasn't subject to a credit check, nor did he have to have anyone co-sign for the loan. The interest rate on his loan was attractive, and there is no repayment schedule. Loan repayment is highly recommended, though, so values will be available for him to use in the future.




Two weeks after Hurricane Harvey ravished Houston, my client told me he was back on his feet and that he believed that if he hadn't had the opportunity to borrow against his insurance policy, he might still be waiting for something or someone to help him.

Receiving my client's email reminded me how useful whole life insurance's guarantees and living benefits are, especially when the unexpected happens. And in the unpredictable world in which we live, the unexpected happens every day.

One of the first rules all of us learn in financial planning is to help our clients diversify their assets, but are any of us diversified enough? As my client reminded me, just about everyone can benefit from owning whole life insurance. So when I meet potential clients who don't think they need whole life, I go out of my way to show them how whole life insurance—especially its living benefits—can help fulfill many unmet needs they have or could have in the future.

I also often advise prospective clients who are wrestling with different options for their money to fund a whole life policy first, and then use loans against the policy to help pay for the other things they want. They may need to get their money in the policy so it can start growing tax-deferred, because the cash value in their whole life policy will continue to grow uninterrupted while they enjoy the benefits of the loan distribution.

In a world full of uncertainties, whole life provides guarantees. Just look at how these guarantees helped rescue my client from Hurricane Harvey! 

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