2014 Infinite Banking Practitioner’s Think Tank

This very popular annual event is scheduled for 6-7 February, 2014. The event will take place in Birmingham, Alabama.

Because of the exploding public demand for "Infinite Banking" policies, and the corresponding proliferation of IBC "experts," we made the decision to create the Infinite Banking Institute which administers the IBC Practitioner's Program (Agent Training).

We want to make a clear distinction to the public as to those financial services professionals that have been through our baseline course of study and are authorized to advertise themselves as IBC Practitioners.

With the advent of our IBC Practitioner's Program we redesigned the annual Infinite Banking Concept Think Tank Symposium to reflect the purpose and scope of the practitioner's program; and renamed the symposium the IBC Practitioner’s Think Tank.

We rolled out the IBC Practitioner's Program at last year's think tank, and announced that only those in the program or having completed the program would be invited to future think tanks.

• This reflects one of the many benefits of IBC Practitioner Program membership.

• The aim of the IBC Practitioner's Think Tank is to share advanced-level information that can help all to become better practitioners. It is only fair that only those in the program benefit from this sharing.

• The think tank will provide additional content, including presentations from veteran IBC practitioners, that go beyond the general themes laid out in the IBC Practitioner's program course material.

• We have no intention to restrict advanced-level IBC-related education - on the contrary, we want both the seasoned veteran and the new agent to be exposed to this wonderful concept and all the excitement that goes with it. But, at past think tanks, we repeatedly saw a large IBC-experience level disparity among attendees. By restricting entry to only those producers enrolled in the program, we hope to ensure a basic starting level for all participants, upon which the experts can offer their own perspectives so that we can all learn from each other.

• Our intent is to make the think tank the "part 2" of the IBC Practitioner's program, and as such, the emphasis will be on IBC case-studies, and sales and marketing techniques. Attendees will get advanced-level information, not covered in the course.

• To maximize the learning environment, we have downsized the venue to a more intimate seminar-like setting that promotes teaching and two-way exchange between the audience and the seminar leaders.

Furthermore, we are committed to grow our valuable relationship with insurance company home office staff members and regional sales executives. We want to ensure that their personnel have the opportunity to attend our event to be updated on the latest and to help foster their relationships with our IBC practitioners; which ultimately means that the industry will
Because the think tank is only open to those IBC Practitioner's Program students, and graduates, there will be no open invitations, only the target audience will receive information on the event!

If you are interested in attending the think tank, please consider enrolling in the IBC Practitioner's Program course of instruction; both those newly enrolled, and long-time members alike will receive invitations to this year's think tank.

If you have additional questions please check out the program on our site or call, or email me.

- David Stearns

90 Years Ago: The End of German Hyperinflation

November 15, 2013 by Thorsten Polleit

On 15 November 1923 decisive steps were taken to end the nightmare of hyperinflation in the Weimar Republic: The Reichsbank, the German central bank, stopped monetizing government debt, and a new means of exchange, the Rentenmark, was issued next to the Papermark (in German: Papiermark). These measures succeeded in halting hyperinflation, but the purchasing power of the Papermark was completely ruined. To understand how and why this could happen, one has to take a look at the time shortly before the outbreak of World War I.

Since 1871, the mark had been the official money in the Deutsches Reich. With the outbreak of World War I, the gold redeemability of the Reichsmark was suspended on 4 August 1914. The gold-backed Reichsmark (or “Goldmark,” as it was referred to from 1914) became the unbacked Papermark. Initially, the Reich financed its war outlays in large part through issuing debt. Total public debt rose from 5.2bn Papermark in 1914 to 105.3bn in 1918.[1] In 1914, the quantity of Papermark was 5.9 billion, in 1918 it stood at 32.9 billion. From August 1914 to November 1918, wholesale prices in the Reich had risen 115 percent, and the purchasing power of the Papermark had fallen by more than half. In the same period, the exchange rate of the Papermark depreciated 84 percent against the US dollar.

The new Weimar Republic faced tremendous economic and political challenges. In 1920, industrial production was 61 percent of the level seen in 1913, and in 1923 it had fallen further to 54 percent. The land losses following the Versailles Treaty had weakened the Reich’s productive capacity substantially: the Reich lost around 13 percent of its former land mass, and around 10 percent of the German population was now living outside its borders. In addition, Germany had to make reparation payments. Most important, however, the new and fledgling democratic governments wanted to cater as best as possible to the wishes of their voters. As tax revenues were insufficient to finance these outlays, the Reichsbank started running the printing press.

From April 1920 to March 1921, the ratio of tax revenues to spending amounted to just 37 percent. Thereafter, the situation improved somewhat and in June 1922, taxes relative to total spending even reached 75 percent. Then things turned ugly. Toward the end of 1922, Germany was accused of having failed to deliver its reparation payments on time. To back their claim, French and Belgian troops invaded and occupied the Ruhrgebiet, the Reich’s industrial heartland, at the beginning of January 1923. The German government under chancellor Wilhelm Kuno called upon Ruhrgebiet workers to resist any orders from the invaders, promising the Reich would keep paying their wages. The Reichsbank began printing up new money by monetizing debt to keep the government liquid for making up tax-shortfalls and paying wages, social transfers, and subsidies.

From May 1923 on, the quantity of Papermark started spinning out of control. It rose from 8.610 billion in May to 17.340 billion in April, and further to 669.703 billion in August, reaching 400 quintillion (that is 400 x 10^18) in November 1923.[2] Wholesale prices skyrocketed to astronomical levels, rising by 1.813 percent from the end of 1919 to November 1923. At the end of World War I in 1918 you could...
have bought 500 billion eggs for the same money you would have to spend five years later for just one egg. Through November 1923, the price of the US dollar in terms of Papermark had risen by 8.912 percent. The Papermark had actually sunken to scrap value.

With the collapse of the currency, unemployment was on the rise. Since the end of the war, unemployment had remained fairly low — given that the Weimar governments had kept the economy going by vigorous deficit spending and money printing. At the end of 1919, the unemployment rate stood at 2.9 percent, in 1920 at 4.1 percent, 1921 at 1.6 percent and 1922 at 2.8 percent. With the dying of the Papermark, though, the unemployment rate reached 19.1 percent in October, 23.4 percent in November, and 28.2 percent in December. Hyperinflation had impoverished the great majority of the German population, especially the middle class. People suffered from food shortages and cold. Political extremism was on the rise.

The central problem for sorting out the monetary mess was the Reichsbank itself. The term of its president, Rudolf E. A. Havenstein, was for life, and he was literally unstoppable: under Havenstein, the Reichsbank kept issuing ever greater amounts of Papiermark for keeping the Reich financially afloat. Then, on 15 November 1923, the Reichsbank was made to stop monetizing government debt and issuing new money. At the same time, it was decided to make one trillion Papermark (a number with twelve zeros: 1,000,000,000,000) equal to one Rentenmark. On 20 November 1923, Havenstein died, all of a sudden, through a heart attack. That same day, Hjalmar Schacht, who would become Reichsbank president in December, took action and stabilized the Papermark against the US dollar: the Reichsbank, and through foreign exchange market interventions, made 4.2 trillion Papermark equal to one US Dollar. And as one trillion Papermark was equal to one Rentenmark, the exchange rate was 4.2 Rentenmark for one US dollar. This was exactly the exchange rate that had prevailed between the Reichsmark and the US dollar before World War I. The “miracle of the Rentenmark” marked the end of hyperinflation. [3]

How could such a monetary disaster happen in a civilized and advanced society, leading to the total destruction of the currency? Many explanations have been put forward. It has been argued that, for instance, that reparation payments, chronic balance of payment deficits, and even the depreciation of the Papermark in the foreign exchange markets had actually caused the demise of the German currency. However, these explanations are not convincing, as the German economist Hans F. Sennholz explains: “[E]very mark was printed by Germans and issued by a central bank that was governed by Germans under a government that was purely German. It was German political parties, such as the Socialists, the Catholic Centre Party, and the Democrats, forming various coalition governments that were solely responsible for the policies they conducted. Of course, admission of responsibility for any calamity cannot be expected from any political party.”[4] Indeed, the German hyperinflation was manmade, it was the result of a deliberate political decision to increase the quantity of money de facto without any limit.

What are the lessons to be learned from the German hyperinflation? The first lesson is that even a politically independent central bank does not provide a reliable protection against the destruction of (paper) money. The Reichsbank had been made politically independent as early as 1922; actually on behalf of the allied forces, as a service rendered in return for a temporary deferment of reparation payments. Still, the Reichsbank council decided for hyperinflating the currency. Seeing that the Reich had to increasingly rely on Reichsbank credit to stay afloat, the council of the Reichsbank decided to provide unlimited amounts of money in such an “existential political crisis.” Of course, the credit appetite of the Weimar politicians turned out to be unlimited.

The second lesson is that fiat paper money won’t work. Hjalmar Schacht, in his 1953 biography, noted: “The introduction of the banknote of state paper money was only possible as the state or the central bank promised to redeem the paper money note at any one time in gold. Ensuring the possibility for redeeming in gold at any one time must be the
endeavor of all issuers of paper money.”[5] Schacht’s words harbor a central economic insight: Unbacked paper money is political money and as such it is a disruptive element in a system of free markets. The representatives of the Austrian School of economics pointed this out a long time ago.

Paper money, produced “ex nihilo” and injected into the economy through bank credit, is not only chronically inflationary, it also causes malinvestment, “boom-and-bust” cycles, and brings about a situation of over-indebtedness. Once governments and banks in particular start faltering under their debt load and, as a result, the economy is in danger of contracting, the printing up of additional money appears too easily to be a policy of choosing the lesser evil to escape the problems that have been caused by credit-produced paper money in the first place. Looking at the world today — in which many economies have been using credit-produced paper monies for decades and where debt loads are overwhelmingly high, the current challenges are in a sense quite similar to those prevailing in the Weimar Republic more than 90 years ago. Now as then, a reform of the monetary order is badly needed; and the sooner the challenge of monetary reform is taken on, the smaller will be the costs of adjustment.

Note: The views expressed in Daily Articles on Mises.org are not necessarily those of the Mises Institute.

Thorsten Polleit is chief economist of the precious-metals firm Degussa and co-founder of the investment boutique Polleit & Riechert Investment Management LLP. He is honorary professor at the Frankfurt School of Finance & Management and adjunct scholar of the Mises Institute. He was awarded the 2012 O.P. Alford III Prize in Libertarian Scholarship. His website is www.Thorsten-Polleit.com.

Notes


[2] To be sure: It is a “400” with 18 zeros: 400,000,000,000,000,000,000. In American and French nomenclature, it is “quintillion,” in English and German nomenclature one would speak of “trillion,” or a “thousand billion” times 1,000. In this article, the American nomenclature will be used throughout.


Comment by R. Nelson Nash – Please read – and understand this article by Thorsten Polleit in which he explains the method of transition from hyperinflation to a more sound money solution. This is essential knowledge that is rarely mentioned by most writers on the subject of hyperinflation. In fact, I don’t recall a single writer who addressed this fact. Life did go on in Germany—but it was different from the monetary insanity that predominated before this change.

The mission of the Infinite Banking Institute is to get ten percent of the American public to understand that “the banking function” in life can be, and should be, totally controlled at the you-and-me level of society through The Infinite Banking Concept utilizing dividend-paying whole life insurance.
The Skyscraper Curse Hits New York

by Mark Thornton on November 16, 2013

It is now official! New York City has won the title of having the nation’s tallest structure. The heated controversy between New York and Chicago was settled recently when the Council of Tall Buildings and Urban Habitat (based in Chicago) decided that the 408-foot spire sitting atop the One World Trade Center could be included in the total height of the building.

The revised height of 1,776 feet makes One World Trade Center the tallest structure in the US. We are told that One WTC is more than a building. It is a monument both to those murdered on 9/11 and it honors our Declaration of Independence. Not to disrespect those who died, but this “record” is a sham because the useable, productive height of the building is only 1,368 feet. The remaining 400-odd foot difference is just window dressing.

This dubious record should nonetheless be a warning to us that the "Skyscraper Curse," the forerunner of economic crisis, is lurking near.

The Curse originated during the Panic of 1907. Two skyscrapers were under construction during this time, the Singer Building opened in 1908 and the Metropolitan Life Building opened in 1909, and each would become the world’s tallest. In 1929, America’s Great Depression was ushered in with the opening of the 40 Wall Street Building (currently the Trump Building), then came the Chrysler Building in 1930, and the Empire State Building in 1931. The booming 1960s was followed by the stagflation of the 1970s and saw more record-setting skyscrapers being built with inflated money, among them World Trade Towers 1 & 2 and the Sears Building which all opened in the early 1970s.

The Willis Tower, formerly the Sears Tower, is 1,451 feet not counting any spire or other gimmicks that architects and builders use to inflate the heights of their projects. The Sears Tower, begun in 1970 and completed in 1973, was constructed while the US was still on the gold standard, setting a new world’s record for the tallest skyscraper, and, all of its 108 stories represented habitable office space.

The Curse is not just an American phenomenon. The Petronas Towers in Kuala Lumpur, Indonesia, opened in 1997 and was a signal of the “Asian Contagion” of the late 1990s. Taiwan began construction on Taipei 101 as the tech bubble of the late 1990s was imploding. The Burj Khalifa Tower in Dubai, begun in 2004, set a new record when it opened in the summer of 2010, just in time to catch the end of the housing bubble. The building opened, bankrupt, in the midst of a world economic crisis.

More recently the Shard Building, in London, broke ground in 2009 and was completed in 2012, becoming the tallest building in Europe. This was a clear signal of the European economic crisis, the PIIGS fiscal disasters, and grave and ongoing concerns over the viability of the Euro currency. Just recently Japan joined the fraternity with the Tokyo Skytree in 2012, the tallest structure in Japan. Not to be outdone, China set a new national skyscraper record with the Shanghai Tower which will open in 2014. China also broke ground, but suspended construction on Sky City, which would have set a new world record.

Is there a real connection between skyscraper records and economic crisis, or is this just coincidence? The connection begins with interest rates that are artificially and temporally too low; a phenomenon brought about by out-of-control central banks, such as the Federal Reserve. I explain this in detail in my 2005 article "Skyscrapers and Business Cycles" (2005).

Artificially low interest rates drive up profits temporarily as they drive down the costs of production which then increases spending in the economy. Higher profit margins encourage new investments in bigger, longer-term capital projects boosting profit expectations even higher. Naturally, stock market levels are driven ever higher under these times. Normally, record-setting skyscrapers are difficult and costly ventures, but history has shown that they proliferate in this easy-money environment.

As the effects of the artificial stimulus from central
Does Whole Life Insurance Mix Two Goals Inefficiently?

Robert P. Murphy, PhD
June 2013

In last month’s issue of the Lara-Murphy Report, I explained my own history with Nelson Nash’s Infinite Banking Concept (IBC). IBC allows you to “become your own banker” by funding large purchases through the use of a properly designed dividend-paying whole life insurance policy. I received a lot of good feedback on the article, but also some criticism. In this month’s issue, I want to specifically respond to the critique posted at the blog “Libertarian Investments.”

Summarizing the Critique

The post ran on June 15, 2013, and was titled, “Infinite Banking Concept or Whole Life Insurance.” Let me quote extensively from the post to accurately convey the author’s perspective:

I have never been a fan of whole life insurance. I have always thought of it as a rip off. If you need life insurance, then get term life insurance. You don’t need to mix two things - life insurance and savings/ investments.

I can possibly see benefits to buying whole life insurance for a limited number of people. Generally, I still think it is a scam though. There are salesmen who solicit people to buy whole life insurance policies and these salesmen make a living doing this. This doesn’t automatically make it bad, but I suppose it is due to the nature of the business.

I have never been a fan of whole life insurance. I have always thought of it as a rip off. If you need life insurance, then get term life insurance. You don’t need to mix two things - life insurance and savings/ investments.

...
are healthy. If you are young and healthy, you can get term life insurance that is quite inexpensive. There really is no need for a salesman…

Whole life insurance is mixing things. It is mixing life insurance and your savings and investments. For this reason, it makes the numbers rather confusing. I think the industry likes it this way. But we all know there is no free lunch (at least those reading this blog who call themselves Austrians). There is no magical rate of return just because it is a whole life policy. There are no special interest rates to be earned. The salesman's commission has to come from the payments you are making on your policy (so to speak).

I am still not really seeing any advantages to the IBC, other than it being a good plan for those who lack discipline in their financial life. If anything, IBC would be a disadvantage because of the commissions and fees that you are handing over, when you can simply do much of it on your own and cutting out the middle man (the salesperson).

In conclusion, I might have to read more of Robert Murphy on this subject. I respect him and I want to make sure there is not something that I am overlooking. But for right now, I would suggest sticking with a good term policy if you need life insurance. Take care of your saving and investing separately. I don't see a need to combine the two together and confuse them. That is how you get ripped off. [Bold added.]

Thus we see that this critique (the tone of which was far more polite than a lot of the commentary on whole life) falls back on the standard “buy term and invest the difference” recommendation. I specifically addressed that in the last issue, in the context of Dave Ramsey’s critique of whole life, and I’ll end up reiterating some of the key points here in this article.

But the reason I chose to address this specific critique is the writer’s emphasis on the notion that whole life insurance is “mixing” the two different goals of (a) pure life insurance and (b) wealth accumulation. At first this sounds like a very damning point, but as I hope to show, if we moved the context to another arena, it would be an irrelevant bit of trivia.

An Analogy With Real Estate

Most people are familiar with real estate (because we all have to live somewhere), so this is an easy context in which to make my point. Imagine the following hypothetical conversation between two financial advisors:

SALLY: I was talking to a couple last week, who currently live in a small apartment but are now expecting to have a baby. The husband has a stable job, they have a diversified portfolio of financial assets that are on target for their retirement, they hate moving, the husband wants to get a dog, and the wife wants to start a garden. I told them that given all these factors, and especially with the tax deduction on mortgage interest, they should seriously consider buying a house, instead of moving to another apartment.

DAVE: What are you nuts?! Everybody knows home-buying is a scam. For one thing, there are real estate agents who take a nice commission on both ends. But more important, if you buy a house to live in, you are mixing two things: your purchase of shelter services, with real estate investing. There are houses that can be rented; your monthly payment to a landlord is much less than what you’d pay on a conventional mortgage for the same property. If you really want to invest in real estate, then take the money you save on your monthly house payment and go put it in a REIT or something. And last thing: Don’t bother running numbers trying to show me clients who did OK by buying their home, because at any moment Congress could take away the tax deduction and oops, there goes your whole case for why somebody should buy instead of rent. Only suckers own the house in which they live, especially the poor fools who end up selling their house soon after they buy it. I always tell my clients to rent.

Now let me ask: Does anyone think our hypothetical financial advisor Dave above just “proved” that it’s always a bad financial move to buy a home? Yes,
sometimes it’s a bad decision—if someone’s job causes him to constantly travel, or to relocate every other year, then renting probably makes more sense. But we certainly can’t discredit “buying a home” with the observation that it’s mixing the two goals of shelter services and real estate investing.

Notice too that there’s nothing contrived or needlessly complicated about the benefits of buying a home. It’s a straightforward transaction, but if we are to understand its costs and benefits, we need to realize that it’s not just a purchase that provides a flow of shelter services—it can also serve as collateral for loans, it can be bequeathed to heirs, and if the financial picture really changes it can be sold, even before the mortgage is paid off (so long as the owner isn’t underwater). And yes, people need to take the tax code into account when making a major decision such as buying a home, including the deductibility of mortgage interest as well as the (limited) exemption on capital gains for owner-occupied houses. To say this doesn’t concede that “home buying is based on the tax code,” it just reflects common sense.

Let me end this analogy with the final observation: One of the strongest motivations to own one’s house is the peace of mind and security from knowing that, well, you own the place in which you live. If you rent, you had better not get too attached to the place, because you might not be allowed to renew the contract (at least on the same terms) indefinitely. You simply can’t exactly replicate “buying a home” through “rent a comparable property and invest the difference in real estate.” Ultimately, the straightforward transaction of buying a house has certain attributes that are unavailable through other financial strategies.

**Back to Life Insurance**

The situation is similar when it comes to whole life insurance. It is a straightforward financial instrument: You sign a contract with the insurance company, promising to pay a (level) premium for a specified length of time. In exchange, the insurance company promises to pay a specified amount either when you die, or when you reach a (high) age, such as 121 in recently issued policies. That is the essence of what a whole life insurance policy is; it effectively provides “pure life insurance” for your whole life (since most people are going to die before hitting the maturity date). But in addition, because of its nature, it has other features as well. You can borrow against it, you can specify an heir to receive the death payment, and if the financial picture changes drastically, you can “surrender” the policy and receive what is effectively the “equity” you had built up inside of it thus far.

Now of course, if someone is going to seriously consider buying a large whole life insurance policy, then he or she needs to consider all of the tax ramifications, because there are plenty of advantages with the current code. So long as a policy has not become a “modified endowment contract” or “MEC” (and reputable insurers and agents will ensure a policyholder doesn’t let this happen accidentally), then the policyholder is not taxed on the accumulating cash value, policy loans have no tax implications, and dividends can be withdrawn up to the point of the “cost basis” in the policy without tax. (And of course, whether the policy is a MEC or not, the death benefit payment is itself an income-tax free event for the recipient.) None of this is to suggest that whole life is a creature of the tax code, it just means a person’s lifetime financial plan must consider the tax advantages when evaluating whole life as an option.

For many people, particularly those who use whole life in the context of the broader IBC philosophy, its fundamental virtue is control over one’s money. Usually IBC practitioners talk about “control” in the context of being able to access (through loans, dividends, or partial surrenders) the wealth embodied in a policy at any point, without penalties, unlike traditional tax-qualified investment plans.

However, in our present context, whole life’s superior “control” comes in the form of having guaranteed life insurance coverage. If you just buy a term policy, you may not be able to renew it when it expires. You are in the same situation as the renter, who might get kicked out of “his” house by the landlord, because it wasn’t really “his” house to begin with. With a whole life policy, that particular worry is gone.
Conclusion

In closing, let me be clear that I am not saying that buying a house right now in 2013, especially by going to a commercial bank and taking out a 30-year mortgage, is a great idea. In our other writings, Carlos and I have explained that we think Ben Bernanke’s policies have set the U.S. up for another crash, and that taking out loans from commercial banks is itself a dubious practice that contributes to our inflation problem.

All I have done in this article is show that conventional financial discussions, which routinely dismiss whole life on the grounds that it “mixes two goals,” would likewise end up telling people that they should always rent apartments. We can see how absurd such a categorical statement would be, and we can see all the ways that their hypothetical analysis was not actually apples-to-apples.

If you can understand what I mean with respect to buying a home, then you can at least appreciate my claim that an analogous thing has happened with whole life insurance. When people like Dave Ramsey or the blogger quoted above say they are making a fair comparison by buying a term policy, they are simply wrong. You can’t replicate the flow of benefits from a whole life policy by buying term.

To point this out doesn’t, of course, mean whole life is for everyone. For example, a young couple with very little discretionary income and a bunch of young children will need a large term policy, and depending on the numbers it’s possible they have to wait a few years before even thinking about taking out even a modest whole life policy. I have no problem if the financial gurus simply caution people that whole life isn’t for everyone. Yet they go much further than this, and say that only a fool would buy a whole life policy. Such over-the-top condemnations don’t even begin to make a valid comparison, as I’ve tried to show in this article.

1 See: http://libertarianinvestments.blogspot.com/2013/06/infinite-banking-concept-or-whole-life.html.

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IBC Practitioners - reminder - the LMR is posted free on the restricted Practitioner Dashboard.

AND others have asked, “What if I am uninsurable? After all, not everyone is blessed with perfect health.” For those people, consider this possibility: Father is 50 years old and is uninsurable — or highly “rated” — on account of occupation or poor health. He wants to adopt the Infinite Banking Concept to provide “passive income” at his age 70 for the balance of his life. Please notice that I did not say “retirement” income — I’m dropping that word from my vocabulary. Passive income is money that comes in every year and you don’t have to do anything to receive it. In fact, you can’t do anything about it — it just appears!

Mother agrees that this is a worthy goal. She is about the same age as her husband and they have a 23 year old daughter, Jill, who is in excellent health.

To accomplish their goal they decide to put $20,000 per year into a policy on Jill. $10,000 will go into the base policy (Life Paid-Up at age 64) and $10,000 into a Paid-Up Additions Rider. [Illustration is on pages 83-84 in Becoming Your Own Banker]

They do this for twenty years and Father is now age 70. At this point they decide to cease premium payments and to start drawing “passive income” in the amount of $28,500 per year. This is done by surrendering cash
values of Paid-Up Additions. This income is tax-free until the amount withdrawn equals the cost basis of the policy (the premiums paid out).

Fifteen years later Father is 85 years old and has drawn out cash values of dividend additions equal to the premiums paid into the policy. He has no cost basis at all. If he is still living at this point, and wants to continue receiving tax-free income, he could simply switch to policy loans which are income tax-free.

Assume that he dies at age 85. Note that the cash value of the policy is $1,110,726. This sounds like life insurance on Father, doesn’t it? Father paid premiums for 20 years — then withdrew every dollar paid out — on a tax-free basis — and delivered $1,110,726 to his daughter at her age 57.

In this illustration, the assumption is that Jill simply let the insurance company manage the policy for the remainder of her life. Therefore, no additional premiums — and at her age 70 she decides to surrender cash values of dividend additions in the amount of $150,000 for the balance of her life.

Assume her death at age 90 — and she has withdrawn “passive income” totaling $3,150,000 — and she still delivered a $2,378,391 death benefit to the next generation.

All during the period of premium payments and withdrawals Jill could have been using the cash values to finance automobiles, homes, and anything that your imagination allows. If she follows the principles taught earlier in this book, then the results would be much greater than depicted in this illustration.

We will conclude the lesson series next month.

Welcome the newest IBC Practitioners
https://www.infinitebanking.org/finder/

The following producers completed our Infinite Banking Concepts Practitioners Program course of study during the past month, and joined our IBC Practitioner Team:

- Chad Brosius - Yulee, Florida
- Jerry Jones - Mesa, Arizona
- William Mora - Houston, Texas
- Robert Bonner Jr - Atlanta, Georgia

You can view the entire practitioner listing on our website using the Practitioner Finder.

IBC Practitioner’s have completed the IBC Practitioner’s Program and have passed the program exam to ensure that they possess a solid foundation in the theory and implementation of IBC, as well as an understanding of Austrian economics and its unique insights into our monetary and banking institutions. The IBC Practitioner has a broad base of knowledge to ensure a minimal level of competency in all of the areas a financial professional needs, in order to adequately discuss IBC with his or her clients.

The IBC Practitioner has signed the IBC Practitioner’s Agreement with the IBI that specifies that he or she is a financial professional who wishes to advertise his status as an IBC Practitioner, and acknowledges possession of the proper licensing and other legal requirements to practice in his industry. The IBC Practitioner agrees for those clients who want an IBC policy, he will design it according to certain characteristics to ensure that these specific clients are getting a “Nelson Nash” policy, as described in his books and seminars. If an IBC Practitioner is dealing with a client who asks for an “IBC,” “Nelson Nash,” “privatized banking,” or “banking” policy, or if the Practitioner recommends such a policy to the client, and/or if the client has come to the Practitioner by referral from his listing at the IBI website, then and only then the Practitioner must be sure to set this particular client up with a dividend-paying, whole life policy.

Libertarianism Today by Jacob H. Huebert
The World Order by Eustace Mullins
Cantillon’s Curse by Stephen Johnston
Nelson’s Live Seminars & Events for January 2014
http://infinitebanking.org/seminars/

Nelson Live in Vancouver, Canada, 17-18 January
Contact Stephen Devlin
604-671-9556
stephen@macdevfinancial.com
Event Registration link:
http://becomingyourownbankervancouver.even

Our comprehensive *Becoming Your Own Banker®* seminar is organized into a five-part, ten-hour consumer-oriented study of *The Infinite Banking Concept®* and uses our book *Becoming Your Own Banker®* as the guide. Typically, Nelson covers the concept’s fundamentals in a two-hour introductory block the first day. He then covers the “how to” over an eight-hour block the final day.

These seminars are sponsored, therefore attendance is dictated by the seminar sponsor. If you are interested in attending one of these events, please call or email the contact person listed with the seminar information.