

# From Skeptic to Advocate

## How Discovering the iLOC Sold One Business Owner on Whole Life Insurance

For most of his life, Mike believed what many people do about whole life insurance: it wasn't worth the cost. "I always thought that whole life was a rip-off," he said. "Too expensive, too complicated, and your money is locked away forever. I just didn't see the value."

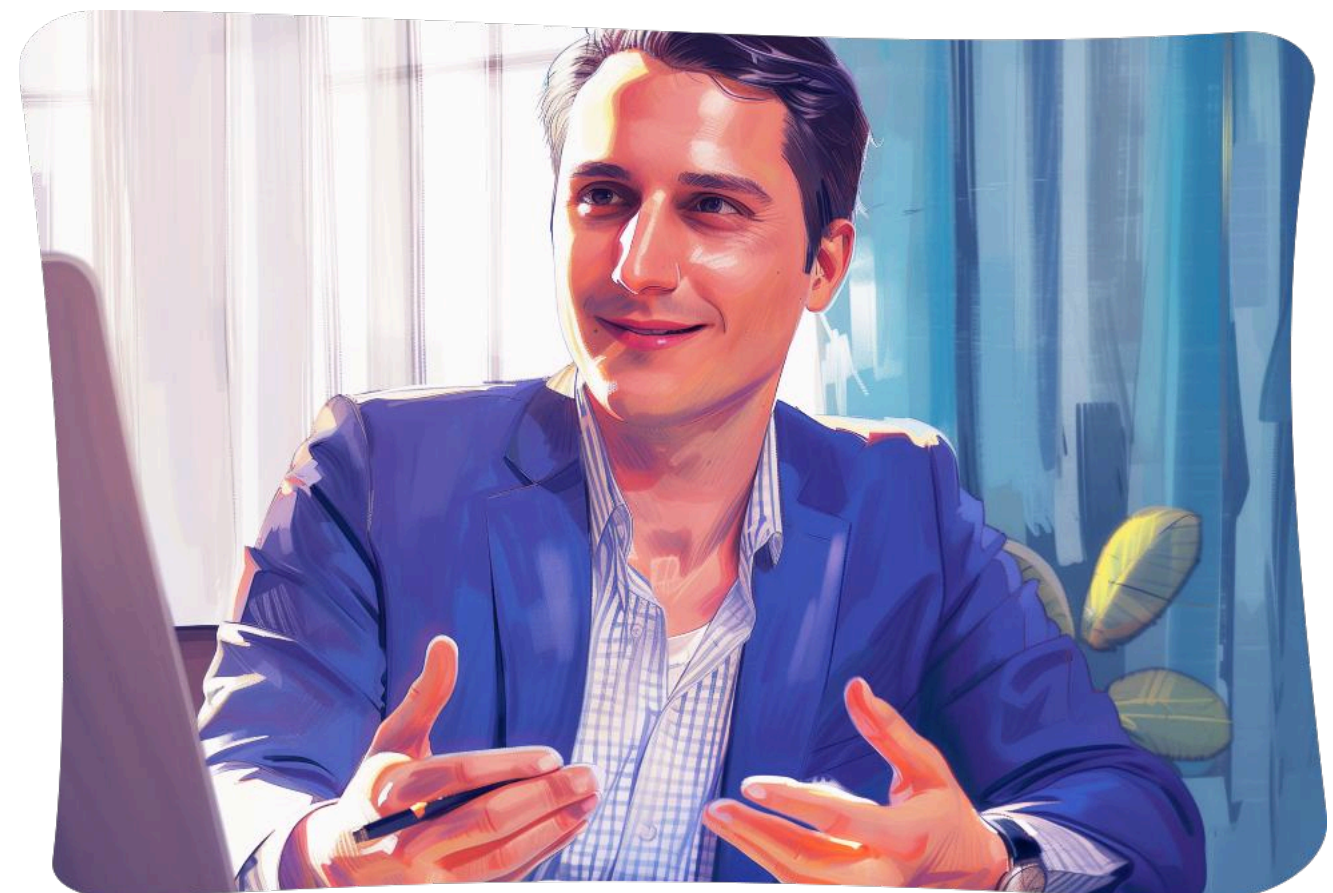
Instead, Mike did what many high-income earners do. As a successful entrepreneur running a real estate and specialty finance firm, he took a strategic, cost-effective approach to life insurance. He layered term policies to cover his highest-need years (the early days of raising two daughters) and moved on. It was a textbook case of term-insurance laddering: affordable, flexible, and temporary.

But as his business grew and his financial complexity deepened, something shifted. Over time, Mike's financial advisor introduced him to the idea that whole life wasn't just about the death benefit — it was also a place to build long-term, tax-advantaged cash value. For a business owner in California, that phrase, "tax-advantaged" caught his attention.

"I started to think of it like a Roth IRA without the limits. I can put in much more than a Roth allows, let it grow tax-deferred, and the money's managed by professionals. Plus, the dividend history is incredible — over 150 years of uninterrupted payouts."

The appeal was growing. He was intrigued by the cash value, the growth, the tax benefits — but he couldn't get comfortable with the lack of access. What good was a growing pot of money if it took mountains of paperwork to reach it?

"My advisor told me about policy loans, but I was still on the fence. Honestly, the idea of calling the carrier, filling out forms, waiting weeks — it just didn't feel usable. Plus, I wouldn't be able to deduct the interest like I did with my HELOC. So I declined to buy whole life year after year."



**"I started to think of it (whole life) like a Roth IRA without the limits. I can put in much more than a Roth allows, let it grow tax-deferred, and the money's managed by professionals."**

## Unlocking Liquidity, Overcoming Objections

That all changed when Mike was introduced to the Inclined Line of Credit (iLOC), a private line secured by the cash value in his whole life policies. Suddenly, access was no longer a question.

"Life insurance is sold, not bought... but this time I got curious. When my Advisor told me about the iLOC, it made the policies feel liquid. That's when the cost became worth it for me — I could use the money while it continued to grow."

His whole life policies, combined with the iLOC, became a powerful new tool. With no required payments other than interest<sup>1</sup>, access to overnight draws<sup>2</sup>, and a stable borrowing base unaffected by market volatility, it offered the kind of flexibility and predictability he needed as a business owner.

**"When my Advisor told me about the iLOC, it made the policies feel liquid. That's when the cost became worth it for me"**



# Mike Puts His iLOC to Work

Mike has tapped into his iLOC several times to cover cash shortages and when he’s had good opportunities present themselves.

“It’s been incredibly useful. I’ve used it to cover capital calls, business expenses, taxes — even just to smooth out my income in slower months. Rather than letting cash sit in a bank earning nothing, I can put it to work and still know I’ve got this line ready when I need it.”

He appreciates that the borrowing base doesn't fluctuate. “I can borrow against my stocks, but then I have to worry about market drops. And I saw a lot of HELOCs get pulled during the financial crisis, so I don’t want my home equity to be my only option.”

The iLOC is simple, funds move quickly, and his credit limit is automatically evaluated for increases as his cash value grows.<sup>3</sup> In addition, the spread between his borrowing rate and policy dividend means he’s still earning even while borrowing.

“It’s funny — I used to think putting money into whole life meant locking it up. Now it’s an important place I turn when I need liquidity.”



“It’s funny — I used to think putting money into whole life meant locking it up. Now it’s an important place I turn when I need liquidity.”

# Liquidity Makes Whole Life More Valuable

Mike’s story shows that some clients don’t reject whole life because of the product, they reject it because they don’t understand how usable it can be. Once he saw how easily he could access his cash value through the iLOC, his perspective changed.

“I’m still paying premiums, so the value keeps growing — but now I can use that money for investments, taxes, or business needs without selling assets or holding excess cash. That’s powerful.”

It wasn’t just the death benefit that won him over — it was the liquidity strategy behind the policy. For clients like Mike, whole life becomes a high-performing, flexible asset when paired with tools that make it accessible. Helping clients understand and unlock that liquidity can turn doubt into action — and make whole life an easier decision.

**At Inclined, we call these the “*living benefits*” of cash value insurance.**

1 When an iLOC account is active and in good standing, each month clients can choose to pay interest or let interest accrue. There are no fees or penalties for accruing interest. Unpaid interest will be added into principal on the due date. If the interest due would place your balance above your credit limit you may owe a minimum payment and capitalizing interest may not be permitted.

2 Once an Inclined Line of Credit is opened, policyowners can use our online portal to make draws that process overnight. Funds arrive at the receiving bank the next business day, fund availability subject to receiving bank’s policies. In some cases, it may take 2 business days.

3 When an iLOC account is active and in good standing, Inclined evaluates the credit limit twice per policy, per year and generally increases it with the value of the policy. However, credit limit increases are discretionary and are not guaranteed.

