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PALMER,**

CLTC, is president of the Palmer Agency and an advocate of the life insurance industry. With more than thirty years in the agency she brings knowledge, passion, and experience, carrying on a family legacy that began when her father, Howard H. Palmer, founded the agency in 1961. She has deep respect for advisors that choose to work with the firm and an ongoing commitment to the growth of their businesses.

Palmer currently serves on the Board of the National Association of Independent Life Brokerage Agencies (NAILBA). She is Past President of NAILBA's Charitable Foundation and of Insurance and Financial Leaders of the Southeast. She is an active member of NAIFA, SubCenters, The Marketing Alliance, and SAGE (a second generation study group). She also serves on the Oxford College of Emory University Board of Counselors.

Palmer understands the challenges a small business faces, including the loss of two key persons—her brother, Alan Palmer, the previous president of the agency, and 32 year business partner and EVP Jimmy Harrington. She has navigated the challenges of long term care and personally seen the benefit of life insurance having lost her husband Dave in 2012. She uses her experience and compassion to more effectively help others.

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Are You, Your Clients, And Your Business Prepared?

Think for a moment about the people you care for and love the most in your life. Now imagine losing them one by one. Unimaginable, isn't it?

I am about to tell you an unimaginable story and all that I learned through the worst of circumstances. We at The Palmer Agency help people plan, protect, and provide for their families and businesses in the event of sudden loss. Even when presented with a plan, however, only a small percentage of people put those strategies in place.

What makes it so hard for them to accept such a proposal? Loss through death is the thing many of us fear the most. Facing loss can be daunting. It can cause our clients to put off preparing for it. In the case of our agency, when the second generation took over, we seemed too young, too strong, and too healthy to consider our mortality.

We all have stories of losing a loved one. The following is my story, which I share to inspire others to act.

My family-owned brokerage general agency had been in business for more than 50 years. We were a close family working along with a dedicated team of people building a business. In 1998 my father executed a succession plan—my brother Alan as president, me as executive vice president, and non-family member Jimmy Harrington as vice president. My sister was a stockholder, and my father maintained the majority of the stock.

For the next five years my parents settled into retirement, and we younger folks continued the business as the second generation. Life changed in November 2003 with the

sudden death of my brother Alan, age 37. While dealing with our loss and working to maintain the family business, I watched my aging parents go through years of serious illness and long-term-care needs. Just as my mother went into hospice care, the worst happened. My husband Dave was diagnosed with terminal cancer. During the next few years I watched Dave and my business partner Jimmy, also diagnosed with terminal cancer, battle this disease.

My brother, parents, and husband all passed away within an eight-year period. Jimmy passed away in December 2014. Unimaginable, isn't it? My loss was like a tsunami roaring in and obliterating everything in its path.

I was drowning, gasping for air. My grief was a powerful and disabling force, tossing me back and forth between the past, present, and future. With each death, I went into a gray fog. I was wandering lost through dark woods, and I couldn't find my way home. Meanwhile I was knee-deep in paperwork with timelines creeping up on me. Every time I thought I had the loose ends tied up, another bureaucratic nightmare blindsided me. Everything felt like it was out of order and I wanted my old life back, which was not possible. I needed to find my new normal.

The landscape of my life had been altered completely, and I needed to redefine myself. Those tragedies taught me lessons that I could recognize only with hindsight. I could not see them at the time of each loss. Now, however, with the clarity that is gained through adversity, I have the opportunity to share those lessons.

Grief is not orderly, but our business is about helping clients so that when those moments of truth come, people can find order in a world of disorder. How do we ease the financial burden on our clients so that they can embrace the emotional component of their loss? While this question is complex, I offer the following lessons so that others may benefit from my experiences of loss.

Buy-Sell, Key Person, and Succession Planning

Our agency did not have a succession plan in place or key person coverage on Alan when he passed away. He had been born with a congenital heart defect, and he eventually became uninsurable. Alan did have a personal policy in force with my parents as beneficiaries, but the beneficiary was not changed when he became president and a stockholder. When he passed away, the insurance money went to my father, rather than to the business. Granted, my father suffered an emotional loss, but the business suffered financially. The business desperately needed money to recover and rebuild in Alan's absence, but we had failed to foresee such circumstances.

The business succession plan had been executed five years before my brother's death, yet no new contingency plan was put into place. Why not? Because the second generation was young and vibrant. Who would have thought anything would happen to the fresh second-generation owners? Business owners often put off making a business-succession plan until the owners have matured, an approach that we now know can put a business in a perilous position.

Life changes, and unfortunately death knows no boundaries. After Alan's death, what became exceedingly clear was that Jimmy and I needed to increase our key person coverage. While we waited for the agency valuation to be completed, Jimmy was diagnosed with terminal cancer and became uninsurable. The agency had key person coverage on Jimmy when he died, but the death benefit was considerably less than his value to the firm.

Lessons: As agents and brokers, we can help ourselves and other business owners make the difference between a company's demise and its continued success by doing the following things:

- Develop a contingency succession plan
- Have adequate life insurance in force for key people
- Fund a buy-sell agreement in advance of need
- Perform annual beneficiary reviews

Long-Term Care

Our family, like many others, experienced a long-term care need, along with the associated expenses, for our aging parents. Mother had Alzheimer's and was in an assisted living facility for five years. Our father's health declined alongside our mother's, which required hiring a private caregiver. Long term-care insurance covered the majority of the expenses as well as the coordination of care. The insurance eliminated financial burdens, eased emotional disruption, provided excellent care, allowed us time to focus on our families and businesses, gave us freedom to grieve, and protected the financial assets our parents worked hard to accumulate.

Lesson: Tell your clients and prospects what long-term-care insurance does for them, not what it is.

Estate Equalization

When my father died, his personal house was in order, which streamlined my job as his co-executrix. Unfortunately the business was another matter. Once the original succession plan was in place, my father reduced the amount of his business and personal life insurance, after which his health declined and he became uninsurable. The need for additional life insurance was painfully clear once my brother passed away and my sister decided to leave the business to pursue a career in the ministry. The reduced death benefit was barely enough to purchase her stock, and the proceeds from the personal policy were not enough to purchase her half of the office building.

Through the determination of its principals, The Palmer Agency survived the upsets caused by losses, surprises, and less-than-stellar planning, but we were lucky. Many companies do not survive through the second generation.

Lesson: For family businesses, maintaining adequate life insurance coverage is crucial to the future success of the business and the relationships of the surviving family members.

Personal Insurance Protection

My husband and I were fortunate in at least one way. During the four years Dave was ill, our comprehensive health insurance covered the medical expense, while the disability income gave me the freedom to focus my attention on him and our children during the last few months of his life.

When Dave passed away, his last gift was a gift of love in the form of a life insurance policy. The proceeds of that policy, combined with excellent financial planning, allowed me to maintain the lifestyle he and I enjoyed together. It also gave our family peace of mind and provided us time to heal, rebuild, and strengthen our lives.

As a widow and executrix of my husband's estate, I quickly found myself submerged in paperwork. Our attorney had worked closely with us as a couple for many years and has continued as my trusted legal counsel. Sadly the same was not the case with our financial advisor and accountant. He and my husband were more closely aligned. I became a statistic, one of the 70 percent of spouses who change their financial advisor when their spouse dies.

Lesson: Plan, organize, and simplify. Is everything in order? Take another look. What you find might surprise you.

I never imagined the story of loss and the lessons I learned would become my story. I benefited in some ways from proper financial planning, but I also felt the disappointment and impact of improper planning in other ways.

Are you prepared for the unimaginable? Are your clients?

According to LIMRA statistics, 100 million adult Americans are without life insurance protection. Has our industry made the simple too complex, or have we become too wrapped up in what we do instead of why we do it and what our products do for our clients? Have we lost the art of selling and connecting with people?

Your clients and prospects need you now more than ever.

Call them, ask them about their dreams, share a story, protect them, and you will improve their lives and the lives of their loved ones. ☺