

SPEAKER

WHY BUY
DISABILITY
INSURANCE?
PAGE 12

*Business
Resilience*

*Emergency
Response
Plan*

*Crisis
Management
Plan*

*Business
Continuity
Plan*

TAKE THE **TERROR**
OUT OF TAXES

MEET MY OCTOPUS...
A MODEL FOR 8
CASH FLOW STREAMS!

WHAT HAPPENS WHEN
NO ONE KNOWS?

THE **ACCIDENTAL
SPEAKER**

DOES **YOUR BOOK** EXIST?

*Savvy ways to grow
and protect your
speaking income*

MONEY MATTERS

THE FINANCIAL ISSUE



What Happens When **NO ONE KNOWS?**

WHY SPEAKERS NEED TO PLAN AND GET ORGANIZED NOW

By MARY C. KELLY, PhD, CSP, Commander, USN (ret)

We work our whole lives to make a difference to our clients and audiences. So, now it's time to take a few hours to make a world of difference to those closest to you.

What happens if you develop a life-ending disease and you are unable to work? What if you suddenly experience a catastrophe? What if you get into a terrible accident on the way to an engagement? Would someone know who to call? What to do? How to act in your behalf?

Are you prepared, I mean really prepared, if something happens to you?

Let's look at what would happen if you are incapacitated by illness or accident. Imagine you are in a coma. I know, not really fun to think about, but we tend to have the Superman Syndrome. We think we think we are invincible.

And, we manage a lot. We often don't realize all of the things we manage on a day-to-day basis that someone else now needs to know what to do. If you are unable to think clearly, unable to move, and unable to speak to let people know what to do, what do the people around need to know? What do they need to do? Who do they need to call?



Mary C. Kelly emphasizes the importance of planning for worst-case scenarios before it's too late.

PLAN NOW } *for emergency situations*

Do you know that fewer than 50 percent of Americans have a will or trust? Planning is the best gift you can give your family.

The least you need:

Letter of Instruction. A Letter of Instruction tells people close to you who to call, where the important paperwork is, and what needs to happen right away in case you are no longer functional, such as giving your Dad his asthma medication or reminding others that your daughter is allergic to peanuts.

The Letter of Instruction is not a legal document so it does not have to go through a lawyer. Write this out on your computer and send it to people who would be affected in the event of your incapacitation, such as your assistant, siblings, family, and neighbors. The reason this is so important is it allows people to know what needs to happen immediately, and they can begin to take action on your behalf.

Will. If you have a driver's license, you need a will. Without a will, the state, not your family, decides what happens to your assets and distributes them according to state law. If you're curious about what happens in case you die without a will, please see www.mystatewill.com for interactive, personalized "what if?" scenarios on what happens by state. Keep in mind that any death without a will is going to require lots of court costs, probate, and delays in settling your affairs.

Trust. If your estate is complicated, if you have extended family, or if you have real estate in more than one state, you might want to consider a trust. There are hundreds of different kinds of trusts that address specific situations. I personally like trusts as they allow for a very simple will. The will then flies through probate, as all details regarding asset allocation are handled in the trust. A trust also allows the details of your estate to remain private.

Health care directives and disability insurance. If you are somehow incapacitated, other people have to make decisions for you. Sadly, most people don't think about leaving instructions regarding disability until it is too late.

Statistically, we have a five times greater chance of becoming disabled than to die before we are older, and yet many people do not have disability insurance.

Before you are seriously injured or disabled, consider healthcare directives that dictate how much medication you want to relieve pain, whether or not you want to be resuscitated, whether or not you want to be on life support, and organ donation.

Burial and memorial instructions. Plan for your own last big party. Please do not force your family and closest friends to guess about what you want in terms of your memorial service and your final resting place. I told my parents to get a copy of a memorial service they like and then cross out what they don't want and add in what they do want.

Create a system. I suggest compiling a comprehensive binder that includes all of the necessary paperwork, and let the people in your life know where the binder is located in the Letter of Instruction. One idea is to leave the binder with the originals with your lawyer, and make a copy to keep in a safe place at home.

The binder needs to include financial, legal, medical, business, and spiritual information, as well as a section dedicated to your business and finances to include bank records, credit cards, investments, retirement plans, contracts, debts, and recurring payments.

Information regarding homes and other real estate such as location, mortgages, rental and landlord information needs to be clear.

Insurance of all kind needs to be included in the binder to include long-term disability, home insurance, car insurance, umbrella insurance, life insurance, and health care insurance.

Does all of this sound daunting? Without help, it can be.

There is a free checklist at www.ProductiveLeaders.com/free to get your binder started. There are also free downloadable forms for child care, senior care, and dog and cat care that can be included as attachments with your Letter of Instruction. There are also other materials that may be helpful.

What happens if you are not prepared?
In the short term:

- No one knows when or where to pick up your kids from school. And even if they did, they don't have the necessary permission.
- No one knows that your Mom, who lives with you, needs heart medication every night at 6 p.m. and a cup of jasmine tea before bedtime.
- No one knows what or how much to feed your cat, your dogs and the fish. In fact, they cannot even get into your house.
- No one knows when the hospital asks if you are allergic to medications.
- No one knows how to cancel or refer your business because no one around you knows who your virtual assistant is or how to get into your eSpeakers account to find your bookings.

In the longer run, if your situation gets worse:

- Bills don't get paid because no one knows your banking information. No one cannot get into your computer to access online banking and bills because everything is password protected. You may lose your house.
- Your family doesn't know if you have short-term disability insurance.
- Your family doesn't know if you have long-term disability insurance (long-term disability insurance kicks in after 90 days).
- You have no income and are in danger of being bankrupt because no one knows who to call to cover your speaking engagements.
- Thousands of dollars of medical bills are pouring in. Your family doesn't know anything about the finances or



A MEDICAL POWER OF ATTORNEY IS AN ABSOLUTE MUST. DO YOU HAVE ONE?

your health insurance and they don't know what to do.

Your condition worsens.

No one knows where your medical power of attorney paperwork is. Your family is now fighting over how to deal with your end-of-life care. Some want to keep you on life-support machines. Others want to let you go. Because no one has been designated in writing as your medical power, and the family cannot agree, the medical staff has to keep you alive, regardless of the implications on your family's well-being or your personal choice.

The worst happens. You die. Your paperwork is not in order. What happens? Here are some real cases I've seen.

- You tragically die in a freak accident with your spouse. You never made a will. The state decides who gets custody of your children.
- Because you never made a will, the state also decides who gets your assets, based on the legalities of your state. Go to heirbase.com.

- You meant to update your beneficiaries on your 401 (k), your IRA, your bank accounts, and your insurance. But you got busy and never did. As a result, everything gets left to your first wife, even though your first wife was part of a marriage that only lasted 12 months. Your second wife, who has lived with you for 28 years and is the mother of your four children, gets nothing.
- Your family doesn't know where the bank accounts are. They lose the house and have no income. The bank accounts sit for decades.
- When you bought your last car you put it in your name, since it was financed through the business. Your family cannot sell the car because it is in your name.
- Your family fights over what to do with your family heirlooms. And everything else.
- Your burial happens in Arizona. A few months later, we find a burial plot in Indiana. The cost to relocate is upwards of \$40,000.
- You have a safety deposit box that no one knows about with \$50,000 in cash and your grandmother's diamond ring. No one can access it because no one knows it is there.

Get the picture? Good.

People procrastinate on this because it seems daunting. It takes a few hours and some decision-making. If you are in a relationship, it also means having an honest conversation.

Being organized is a gift for your family. Do it before it's too late!

Mary C. Kelly, PhD, CSP, Commander, US Navy (retired) is a frustrated comedian, executive coach, and leadership expert. Kelly's latest book is *Why Leaders Fail*. Find her at Mary@ProductiveLeaders.com.