**Business Law Family Law Assessment**

Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Hour \_\_\_\_\_\_\_\_\_\_\_\_ Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**True/False**: *Indicate whether the statement is true or false.*

\_\_\_\_ 1. A valid prenuptial agreement lists each person’s assets and the rights each has to control his or her property upon divorce or death.

\_\_\_\_ 2. A common-law marriage, entered into in a state that recognizes it, is valid only in that state.

\_\_\_\_ 3. Both parties may be absent from the marriage ceremony if agents represent them in a proxy marriage.

\_\_\_\_ 4. In a non-community property state, the assets gained during the marriage are divided proportionately.

\_\_\_\_ 5. Cruelty due to mental suffering can be grounds for divorce.

\_\_\_\_ 6. If the heirs contest a will during probate, they must prove that the will does not follow state law, that the deceased was not of sound mind, or that someone exerted undue influence.

\_\_\_\_ 7. Term life insurance is very expensive because it is issued for a short period of time.

\_\_\_\_ 8. A person who cannot sign his or her name may make a mark on the will as long as the mark is intended to be a signature.

\_\_\_\_ 9. Children who are intentionally omitted from a parent's will receive nothing from the parent's estate.

\_\_\_\_ 10. Estate planning is important because it is a way to protect your assets before and after death.

**Multiple Choice**: *Identify the choice that best completes the statement or answers the question.*

\_\_\_\_ 11. Persons related by blood are said to be related by

|  |  |  |  |
| --- | --- | --- | --- |
| a. | affinity. | c. | common law. |
| b. | bigamy. | d. | consanguinity. |

\_\_\_\_ 12. A marriage in which someone legally authorized to do so represents the bride and/or groom is known as a(n)

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| --- | --- | --- | --- |
| a. | common-law marriage. | c. | ceremonial marriage. |
| b. | proxy marriage. | d. | absentee marriage. |

\_\_\_\_ 13. After marriage, the parties may use any name

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| --- | --- |
| a. | after a six-month waiting period. |
| b. | provided they get permission from a judge |
| c. | provided they do not commit fraud. |
| d. | except the wife’s surname. |

\_\_\_\_ 14. In early colonial times, a marriage had to be performed by the cleric or magistrate and was known as

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| --- | --- | --- | --- |
| a. | ceremonial marriage. | c. | covenant marriage. |
| b. | common-law marriage. | d. | proxy marriage. |

\_\_\_\_ 15. A person who has three or more spouses at the same time is guilty of

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| --- | --- | --- | --- |
| a. | bigamy. | c. | polygamy. |
| b. | affinity. | d. | monogamy. |

\_\_\_\_ 16. Upon divorce in every state, each spouse has an equal right to

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| --- | --- |
| a. | one third of the marital property. |
| b. | pursue an annulment. |
| c. | custody of the children. |
| d. | one-half of the marital property. |

\_\_\_\_ 17. A no-fault divorce is a divorce granted without either party having

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| --- | --- |
| a. | a legal separation. |
| b. | to prove the other party was guilty of misconduct. |
| c. | to reveal the dollar amount of the assets. |
| d. | to announce who requested the divorce first. |

\_\_\_\_ 18. Payment to a divorced person by a former spouse for support and maintenance is known as

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| --- | --- | --- | --- |
| a. | alimony. | c. | support payment. |
| b. | judgment. | d. | child support. |

\_\_\_\_ 19. Which of the following is NOT a requirement of a legal marriage in most states?

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| --- | --- | --- | --- |
| a. | age requirement | c. | waiting period |
| b. | marriage license | d. | prenuptial agreement |

\_\_\_\_ 20. Beneficiaries have the right to

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| --- | --- |
| a. | be notified when a will is probated. |
| b. | make decisions about the living will. |
| c. | make medical directives for the person creating the will. |
| d. | a durable power of attorney. |

\_\_\_\_ 21. A spendthrift trust is designed to protect the assets from being spent recklessly by the

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| --- | --- | --- | --- |
| a. | executrix. | c. | beneficiary. |
| b. | court. | d. | trustee. |

\_\_\_\_ 22. The main purpose for creating trusts is to

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| --- | --- | --- | --- |
| a. | provide a living will for the beneficiary. | c. | validate a complex will. |
| b. | avoid taxes. | d. | help people provide for their children. |

\_\_\_\_ 23. In Indiana, a surviving spouse who does not agree with the deceased spouse’s will

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| --- | --- |
| a. | may claim up to $25,000 regardless of what the will said. |
| b. | may apply for homestead protection. |
| c. | is generally not met with favor by the courts. |
| d. | may not petition to take a different portion of the estate. |

\_\_\_\_ 24. Burning, tearing, or canceling a will on purpose will cause it to be

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| --- | --- | --- | --- |
| a. | in executrix. | c. | revoked. |
| b. | probated. | d. | in codicil. |

\_\_\_\_ 25. For property insurance, insurable interest must exist at the time of the loss. For life insurance, insurable interest must exist

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| --- | --- |
| a. | at the time you buy the insurance. |
| b. | at the time you use the insurance. |
| c. | one month prior to buying the insurance. |
| d. | within 48 hours after buying the insurance. |

\_\_\_\_ 26. One example of a retirement plan for self-employed people and their employees is a(n)

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| --- | --- | --- | --- |
| a. | Keogh plan | c. | Roth IRA |
| b. | ARI plan | d. | SEP |

\_\_\_\_ 27. To be valid, a will must

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| --- | --- |
| a. | contain a codicil and an executor, and be signed. |
| b. | be published, attested, and signed. |
| c. | be published, attested, and filed in court. |
| d. | be published and signed. |

\_\_\_\_ 28. If someone dies intestate, his or her personal property will be distributed according to the

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| --- | --- |
| a. | federal guidelines. |
| b. | wishes of the surviving spouse or children. |
| c. | wishes of the court. |
| d. | laws of the deceased’s home state. |

\_\_\_\_ 29. A living will is also considered a

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| --- | --- |
| a. | trust to protect marital assets. |
| b. | way to avoid probate. |
| c. | special power of attorney. |
| d. | will created to distribute assets while still alive. |

\_\_\_\_ 30. All parents, whether married or not, have the duty to

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| --- | --- |
| a. | provide a car for their children. |
| b. | provide a college education for their children. |
| c. | support their children. |
| d. | raise their children. |

**Matching**: *Match each term with its definition.*

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| --- | --- | --- | --- |
| a. | insurance | k. | straight life insurance |
| b. | trustee | l. | probate |
| c. | beneficiary | m. | property insurance |
| d. | testamentary intent | n. | premium |
| e. | medical directive | o. | executor/executrix |
| f. | prenuptial agreement | p. | common-law marriage |
| g. | consanguinity | q. | adultery |
| h. | affinity | r. | annulment |
| i. | bigamy | s. | marriage |
| j. | polygamy | t. | Divorce |

\_\_\_\_ 31. The intention that a document is created to be a last will and testament

\_\_\_\_ 32. The party who is named in the policy to receive benefits paid by the insurer in the event of a loss

\_\_\_\_ 33. Can be purchased on homes, cars, boats and other personal items

\_\_\_\_ 34. The amount of money someone pays for insurance coverage

\_\_\_\_ 35. The court supervises this validation of a will

\_\_\_\_ 36. An agreement in which one party compensates another for any losses

\_\_\_\_ 37. Requires the payment of premiums until the face value is reached or the insured is deceased

\_\_\_\_ 38. The person designated in the will to carry out its terms

\_\_\_\_ 39. A person who holds title to the property for another’s benefit

\_\_\_\_ 40. Allows an appointed attorney-in-fact to make decisions about the grantor’s medical care

\_\_\_\_ 41. The legal union between one man and one woman as husband and wife

\_\_\_\_ 42. A declaration by the court that a marriage was never valid

\_\_\_\_ 43. A written and signed legal contract couples make before getting married

\_\_\_\_ 44. Related by marriage

\_\_\_\_ 45. A declaration by the court that a marriage has ended

\_\_\_\_ 46. The act of having two spouses at the same time

\_\_\_\_ 47. Informal marriage created by the parties themselves

\_\_\_\_ 48. The act of having more than two spouses at the same time

\_\_\_\_ 49. When one spouse has sexual relations with someone outside of the marriage

\_\_\_\_ 50. Related by blood

**Short Answer**

51. What are the rights (5) and obligations (2) in a marriage?

52. Explain what a living will does and who may want a living will?