

Name _____

Business Law Family Law Assessment

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.
 - b. bigamy.
 - c. common law.
 - d. consanguinity.
- _____ 12. A marriage in which someone legally authorized to do so represents the bride and/or groom is known as a(n)
 - a. common-law marriage.
 - b. proxy marriage.
 - c. ceremonial marriage.
 - d. absentee marriage.
- _____ 13. After marriage, the parties may use any name
 - 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
 - a. ceremonial marriage.
 - b. common-law marriage.
 - c. covenant marriage.
 - d. proxy marriage.
- _____ 15. A person who has three or more spouses at the same time is guilty of
 - a. bigamy.
 - b. affinity.
 - c. polygamy.
 - d. monogamy.

- ____ 16. Upon divorce in every state, each spouse has an equal right to
- one third of the marital property.
 - pursue an annulment.
 - custody of the children.
 - one-half of the marital property.
- ____ 17. A no-fault divorce is a divorce granted without either party having
- a legal separation.
 - to prove the other party was guilty of misconduct.
 - to reveal the dollar amount of the assets.
 - to announce who requested the divorce first.
- ____ 18. Payment to a divorced person by a former spouse for support and maintenance is known as
- alimony.
 - judgment.
 - support payment.
 - child support.
- ____ 19. Which of the following is NOT a requirement of a legal marriage in most states?
- age requirement
 - marriage license
 - waiting period
 - prenuptial agreement
- ____ 20. Beneficiaries have the right to
- be notified when a will is probated.
 - make decisions about the living will.
 - make medical directives for the person creating the will.
 - a durable power of attorney.
- ____ 21. A spendthrift trust is designed to protect the assets from being spent recklessly by the
- executrix.
 - court.
 - beneficiary.
 - trustee.
- ____ 22. The main purpose for creating trusts is to
- provide a living will for the beneficiary.
 - avoid taxes.
 - validate a complex will.
 - help people provide for their children.
- ____ 23. In Indiana, a surviving spouse who does not agree with the deceased spouse's will
- may claim up to \$25,000 regardless of what the will said.
 - may apply for homestead protection.
 - is generally not met with favor by the courts.
 - 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
- in executrix.
 - probated.
 - revoked.
 - in codicil.
- ____ 25. For property insurance, insurable interest must exist at the time of the loss. For life insurance, insurable interest must exist
- at the time you buy the insurance.
 - at the time you use the insurance.
 - one month prior to buying the insurance.
 - within 48 hours after buying the insurance.

- _____ 26. One example of a retirement plan for self-employed people and their employees is a(n)
- Keogh plan
 - ARI plan
 - Roth IRA
 - SEP
- _____ 27. To be valid, a will must
- contain a codicil and an executor, and be signed.
 - be published, attested, and signed.
 - be published, attested, and filed in court.
 - be published and signed.
- _____ 28. If someone dies intestate, his or her personal property will be distributed according to the
- federal guidelines.
 - wishes of the surviving spouse or children.
 - wishes of the court.
 - laws of the deceased's home state.
- _____ 29. A living will is also considered a
- trust to protect marital assets.
 - way to avoid probate.
 - special power of attorney.
 - will created to distribute assets while still alive.
- _____ 30. All parents, whether married or not, have the duty to
- provide a car for their children.
 - provide a college education for their children.
 - support their children.
 - raise their children.

Matching: Match each term with its definition.

- | | |
|-------------------------|----------------------------|
| 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?