

# RIGHTRISK™

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## DATES TO REMEMBER

**Annual Forage (spring planted):**  
- December 15th

**Margin Protection Program (MPP) - Dairy**  
**Deadline to enroll**  
- December 16th

**Spring-planted crops sales deadline:**  
- March 15, 2017

**Spring-planted crops sales deadline:**  
- March 15, 2017

**Noninsured Crop Disaster Assistance Program (NAP)**  
Deadline for springseeded forage and all other crops  
- April 1, 2017

For more information see:  
<http://www.rma.usda.gov>  
<http://www.fsa.usda.gov>

## RIGHTRISK NEWS

### Preparing a Last Will and Testament

All people, regardless of financial status, will have an estate when they die. Generally speaking, an estate is a person's net worth in the eyes of the law. Assets of an estate include bank accounts, home, vehicles, investments, licenses, social media accounts, businesses, life insurance policies, retirement accounts, and other items owned by the person. An estate may also include mortgages and other debts.

An estate plan is an organized method for distributing one's assets and liabilities after the person dies. It also provides instructions for end-of-life decision making and often consists of several documents indicating: how a person wants to distribute the estate, future operations of any business, instructions for health care, and end-of-life decision making.

A Last Will and Testament is the most important document in an estate plan. It is a set of instructions for the personal representative (or executor) to follow when settling the estate of a person who has died (decedent). A will should identify when, how, and to whom one's assets should be disposed and how one's business affairs should be addressed, if applicable. In addition, a will might also name a guardian for minor or adult dependents. One's right to dispose of property as he or she chooses may be subject to laws that prevent the person from disinheriting a spouse and, in some cases, children.

*A Last Will and Testament is the most important document in an estate plan.*

A will does not govern the disposition of property controlled by beneficiary designations or by titling. For example, property titled jointly with rights of survivorship, payable on death accounts, life insurance, retirement plans and accounts, and employee death benefits automatically pass at death to another person, and the decedent's will does not apply to them unless they are payable to the estate as specified by the terms of the beneficiary designations.

A will commonly does not dispose of a person's personal property. A Personal Property Memorandum, or separate list, can be used to direct to whom specific items should be given. A memorandum can be written and rewritten at any time. It must be signed, dated, and found with the decedent's will, but it does not need to be witnessed nor notarized.

Wills can be of various complexities and utilized to achieve a range of objectives. A will that provides for the outright distribution of assets is sometimes called a simple will. Alternatively, a testamentary trust will creates one or more trusts upon the person's death. Pour over wills leave probate assets to pre-existing (created during one's lifetime) inter vivos trusts (often referred to as revocable living trusts). The use of such trusts or those created by a will generally is to ensure continued property management, divorce and creditor protection, protection of an heir from his or her own irresponsibility, provisions for charities, or minimization of taxes.

If a person dies without a will (called intestate), state law essentially writes the person's will. State law may or may not reflect the person's actual wishes, and some of the built-in protections may cause family disagreements. Further, administering an intestate estate can be complicated, may require significant court involvement, may be more costly than probate (process for proving a will in court), and may not achieve the objectives desired for the estate.

*How Much Risk is Right for You?*



## HIGHLIGHTED TOOL

The Risk Management Worksheet provides a tool for contingency planning and monitoring risk over time. Each source of risk is considered on an enterprise-by-enterprise basis, challenging management to consider the potential risk exposure each enterprise represents to the business and various methods and plans for addressing those risks. A risk checkbox column provides a place to note priority risks and/or enterprise advantages.

For More Information on *Ag Survivor*, see [RightRisk.org](http://RightRisk.org) > Products > RiskNavigator > Toolbox > Risk Management Worksheet.

## LAST WILL AND TESTAMENT CONTINUED FROM PG. 1

A will may be handwritten (referred to as “holographic”) or typed. While people are encouraged to work with an attorney to write their wills, professional counsel is not required for a person to have a valid will. A will must be signed and dated by the author of the will (or at the testator’s direction). Some states require the will be witnessed by two uninterested parties and notarized by a Notary Public, while other states require a will to be witnessed by two uninterested parties or notarized by a Notary Public. Some states require neither.

A will may be amended or revoked at any time, provided the testator is mentally competent and not inappropriately influenced by another person. Writing in new clauses or scratching out sections of an original will is generally discouraged because it can cause uncertainty as to the testator’s intent. Rather, it should be amended with a codicil (supplement that explains, modifies, or revokes all or part of a will) or replaced with an entirely new will.



All mentally competent persons at least 18 years of age and meeting all other state laws should have a will. It will guide the decedent’s personal representative in settling the estate. The will may be quite simple or very complex depending on the testator’s wishes, family structure, and financial situation. A will is especially important for a person with minor children.

While it is not required that an attorney draft a will, sound legal advice is recommended for anyone wanting to draft a last will and testament. The costs of having a will correctly prepared are generally much lower than the costs of contested probate cases or disputed cases after death.

For more information on estate plans, trusts, wills, personal property memorandum, and other end of life documents, see: [RightRisk.org](http://RightRisk.org) > Products > Ag Legacy



# RIGHTRISK™

- Education
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*How much risk  
is right for you and your operation?*

*RightRisk helps decision-makers  
discover innovative and effective  
risk management solutions.*

RightRisk News is brought to you by the RightRisk Team

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