

Land As Your Legacy[®]

A transition checklist for farmers and ranchers



Where do you start when it comes to planning the future of your farm or ranch?

Start right here. Your first step is to talk about it with your family and a transition planning professional. This list of questions will be your guide as you begin.

As you're answering the questions, remember to mark "no" if you don't know the answer or if the answer is partly "yes" and "no." Answer the questions from your perspective. Then ask your family members to answer them from their perspectives. You'll get the most benefit if you get together as a family to discuss your answers.

You'll see in some questions that we refer to the "senior generation" and the "next generation." Define those terms so they make sense for your family before you start answering questions.

Generally, the family members who currently own and control the farm or ranch will be the senior generation. Those who would take over ownership and control at the retirement or death of the senior generation will be the next generation.

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| <p>1. Do all of your family members have a say in farm or ranch decisions?</p> <p><input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Don't know or N/A</p> | <p>7. Does the senior generation want to continue the business as a family farm or ranch?</p> <p><input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Don't know or N/A</p> |
| <p>2. Are your important papers stored in a secure place known to key family members?</p> <p><input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Don't know or N/A</p> | <p>8. Does the next generation want to stay in farming or ranching?</p> <p><input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Don't know or N/A</p> |
| <p>3. Do you have a written ownership and management plan for your farm or ranch that's fair to those currently working on it?</p> <p><input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Don't know or N/A</p> | <p>9. Will you discontinue the farm operation upon retirement?</p> <p><input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Don't know or N/A</p> |
| <p>4. Does the next generation have the experience and skills needed for the challenges of farming or ranching—today and in the future?</p> <p><input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Don't know or N/A</p> | <p>10. Have you considered what impact divorce or marriage will have on your business?</p> <p><input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Don't know or N/A</p> |
| <p>5. Does the next generation know the senior generation's wishes for the farm or ranch upon their death?</p> <p><input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Don't know or N/A</p> | <p>11. Does the senior generation trust the capability and commitment of the next generation to take over farm or ranch operations?</p> <p><input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Don't know or N/A</p> |
| <p>6. Do your family members bring conflict into the open so they can resolve it quickly?</p> <p><input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Don't know or N/A</p> | <p>12. Can your family discuss farm or ranch issues in a business sense, without becoming entrenched in family roles and patterns?</p> <p><input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Don't know or N/A</p> |

Name: _____ Phone: () _____ Email: _____

Notes: _____

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| 13. Will the senior generation be willing to relinquish control at some point? <input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Don't know or N/A | 19. Are you prepared for the impact that taxes may have when senior farm or ranch owners die? <input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Don't know or N/A |
| 14. Could the senior generation financially afford to retire? <input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Don't know or N/A | 20. Is there adequate life insurance to fund a buyout of the farm or ranch, to pay taxes or final debts, and to provide income for surviving family members? <input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Don't know or N/A |
| 15. Does your family have sufficient health insurance to keep an illness from putting a financial strain on the farm or ranch? <input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Don't know or N/A | 21. Have you considered conservation easements or other legal means for preserving the land for farming or ranching? <input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Don't know or N/A |
| 16. Have you planned for potential long-term care expenses? <input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Don't know or N/A | 22. Is the next generation active in farm-related activities within the community? <input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Don't know or N/A |
| 17. Do senior generation family members have signed wills that were reviewed and updated within the past three years? <input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Don't know or N/A | 23. Are family members clear about circumstances in which they would sell the farm or ranch? <input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Don't know or N/A |
| 18. Does the senior generation have a reasonable sense for what the farm or ranch and its operations are worth? <input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Don't know or N/A | 24. Can the next generation get along while running the farm or ranch together? <input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Don't know or N/A |

Notes:



As your personal situation changes (e.g., marriage or job promotion) so will your life insurance needs. Take care to ensure these strategies and products are suitable for your long-term life insurance needs, and weigh any associated costs before purchasing. Fees and charges include costs of insurance that vary with your characteristics, such as sex, health and age, as well as additional charges for riders to customize a policy to fit your needs. You should also seek the advice of your legal or tax advisors, as Nationwide and its representatives don't give legal or tax advice.

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