



## **DON'T ASK, DON'T TELL?**

You own a small agency and place primarily property/casualty coverages for individuals and small businesses, but you also place life insurance as an accommodation to your customers.

Your neighbor is a business owner for whom you have placed all of his personal and business coverages for nearly 20 years.

About 5 years ago, your neighbor asked you to place life insurance policies on his daughter (Paula) and her new spouse (Paul). Paula's policy named Paul as the beneficiary and Paul's policy named Paula.

Over the past several months, you have seen Paul having lunch and dinner with a female that he has introduced to you as a co-worker and close friend. These events caused you to have some suspicions which were confirmed yesterday when Paul came to your office to request a change form to change the beneficiary of his life insurance policy to this co-worker. You thought about asking some questions of Paul, but then couldn't decide exactly what to ask and what you would do with any information that he gave to you.

You realize that Paul is the "client" with respect to his life insurance policy, but are concerned that, if you abide by Paul's wishes, you may hurt both your personal and business relationships with his father-in-law – both of which are very important to you.

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**What do you do? What must you consider in making this decision?**