

# NAR INSURANCE PROGRAM QUARTERLY RISK REPORT Q4 2023

## YEAR IN REVIEW

62 claims were filed on the 2023 NAR Insurance Policy in the calendar year, with the **top three claims comprising 50%** of filed claims. For the first time ever, **cyber claims** topped the list of claim types filed, driven by the Rapattoni breach in August 2023.

11 Cyber

11 Employment

7 Professional Standards

Check out NAR's resources in each of these areas on the next page to help prevent future claims.

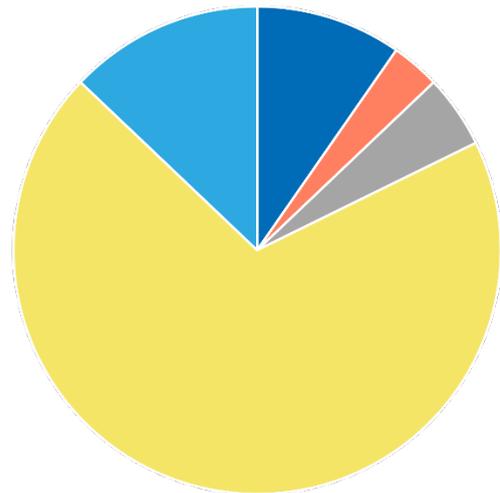
Local REALTOR® Associations filed the majority of claims, and the yearly total is in line with recent years.



**Of the 62 claims filed on the 2023 policy, 2 were denied coverage. Why?**

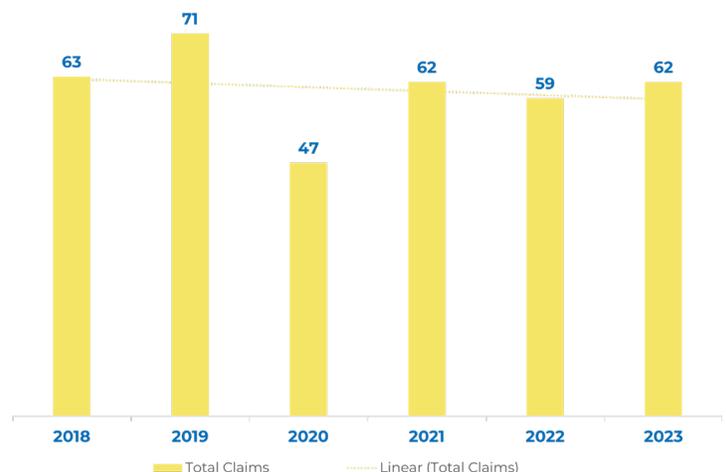
Claims are denied based on the exclusions detailed [in the policy](#) clause IV. Among the exclusions are claims for any fraudulent, criminal, malicious or intentional act; bodily injury such as a slip and fall at an association event; worker's compensation or violations of occupational health and safety laws; and certain federal laws like the Fair Credit Reporting Act and the Telephone Consumer Protection Act.

## SOURCE OF CLAIMS



■ NAR  
■ State Associations  
■ Regional MLS  
■ Affiliates  
■ Local Associations

## ANNUAL CLAIM TRENDS



# NAR INSURANCE PROGRAM

# QUARTERLY RISK REPORT

## Q4 2023

## NAR RESOURCES

### 2024 INSURANCE PROGRAM

[2023 Extension Fact Sheet](#)

[NAR Insurance: What Directors and Officers Need to Know](#)

[How to Look Up Past Excess Purchases](#)

### CYBERSECURITY

[Webinar: Cybersecurity Risk Opportunities for Associations](#)

[Window to the Law: Protecting Your Business from a Ransomware Attack](#)

[Window to the Law: Cybersecurity: What You Need to Know](#)

[Cybersecurity Checklist: Best Practices for Real Estate Professionals](#)

[Phishing Scams Are 'Tip of the Spear' for Cyber Threats](#)

[Safeguard Your Data](#)

[How to Thwart Hacking Threats](#)

['Smishing' Texts from Scammers a Growing Cyber Threat](#)

## NAR RESOURCES

### EMPLOYMENT

[Employment Practices Legal Hotline](#)

[Webinar: Conducting Internal Investigations](#)

[Webinar: Trending Employment Law Issues](#)

[Employer/Employee Guidelines](#)

[Code of Conduct and Anti-Harassment Policy](#)

[Best Practices for Conducting Internal Harassment Investigations](#)

[NAR HR Solutions](#)

### PROFESSIONAL STANDARDS

[Professional Standards Educational Resources](#)

[Professional Standards Monthly Sessions](#)

[Resources for Professional Standards Administrators](#)

[Making Your Arbitration Decisions Stick](#)

[Model Citation Policy](#)

*The NAR Insurance Program provides professional liability and limited patent infringement coverage to all eligible associations, affiliates, and MLSs.*

# NAR INSURANCE PROGRAM

## QUARTERLY RISK REPORT

### Q4 2023

## EPL TIP

### Can an employer regulate its employees' political speech or activity in the workplace?

The closer we get to election day, the more likely political activities may break out in our workplaces. In today's climate, people get easily fired up when discussing the wall or same-sex marriage, terrorism, bathroom designations, and of course, candidates. So what's an employer to do if this activity negatively impacts its workplace?

The first consideration is the First Amendment. It does secure essential rights—freedom of speech, the right to assemble—but it does not apply to a private employer's ability to regulate employee activity. However, your jurisdiction may have broad statutory protections. Certain states, including California, Colorado, Illinois, Louisiana, New York, North Dakota, South Carolina, Wisconsin and Utah, prohibit employers from taking action against employees based on their lawful off-duty conduct.

So, the next time an employee shows up wearing a "Dump Trump" or "Banish Biden" pin and you feel the need to do something:

- Consider whether any state or federal limitations on political activity or lawful off-duty conduct exist.
- Evaluate the nature of the speech and the extent to which it unduly disrupts the workplace.
- Assess whether the speech violates company policy. Racially offensive comments or hate speech, even if supposedly political, may be subject to discipline.
- Ask whether the conduct is protected under the National Labor Relations Act. Add the words, "Equal pay for all" to a provocative political pin and you may need to take a step back.
- Whenever possible, consult legal counsel before taking action.

This employment practices tip, and dozens more, are available to you on the [EPL Assist™ website](#).

## COVERAGE CORNER

ADDRESSING COMMON POLICY QUESTIONS



*One of my directors read the Chubb policy, and says we're not specifically named in it. Are we still covered?*

**A:**

**Yes. The NATIONAL ASSOCIATION OF REALTORS® name appears on the policy because it is the "Named Insured." The REALTOR® Associations, MLSs, and NAR Institutes, Societies and Councils are eligible for coverage as "Associations" defined in Section II.D. of the policy.**

**Have coverage questions?**

Check out these [Professional Liability Policy FAQs](#).

## RISK MANAGEMENT WEBINAR

### ARTIFICIAL INTELLIGENCE:

### *What Associations Need to Know Now*

MARCH 7 | 2:00 PM CT

**REGISTER NOW!**