

ANTITRUST FOR ASSOCIATIONS

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Featuring:

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TOPICS

- Coverage review
- Big Picture: Antitrust Enforcement
- Impact on Associations
- Implementing Antitrust Policy
- Q & A

WHY ARE WE HERE?

Campaign Finance

Government Affairs

Employment Laws

Human Resources

ADA

Facilities

Events



Tax Laws

Finance / CPA

Copyright Laws

Communications

Website

MLS

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ARE WE COVERED?

NAR Institutes, Societies & Councils

- State and Local Chapters
- Subsidiaries

State and Local REALTOR® Associations

- Charitable Foundations
- Political Committees
- Educational Endeavors

MLSs wholly-owned and operated by two or more Associations

ARE WE COVERED?



Coverage only applies if the insured entity:

Maintains their governing documents in full compliance with the Constitution, Bylaws, and Policies of NAR and ...

ARE WE COVERED?

Adheres to and follows in their day-to-day activities the procedures and requirements of their governing documents (and NAR policies).

Source: Policy document, page 2

ARE WE COVERED?

Directors & Officers

Committee Members

Employees

*While acting within
the scope of their
duties on behalf of
the insured entity.*

WHAT ARE POLICY LIMITS?

\$1,000,000 per claim for antitrust claims

Antitrust coverage is defense costs only.

\$10,000,000 annual aggregate for most claims

\$250,000 annual aggregate for theft or
embezzlement claims

\$2,000,000 annual aggregate for patent claims

WHAT ARE POLICY LIMITS?



Claim limits are shared among all covered defendants in the same—or related—claim.

WHAT ARE POLICY LIMITS?



A covered entity may increase claim limits by purchasing “excess coverage” between January 1 and April 1 each policy year.

Excess antitrust coverage is available up to \$1 million. See the annual virtual mailing packet for details.

WHAT'S THE DEDUCTIBLE?

10,000+ members

- Antitrust: \$15,000

3,001 to 10,000 members

- Antitrust: \$7,500

Less than 3,000 members

- Antitrust: \$3,000



KEVIN HART
Partner | Jones Day



LESLEY MUCHOW

**General Counsel, Vice President Legal
Affairs and Antitrust Compliance
National Association of REALTORS®**





DAVID JONES

Deputy General Counsel, Director of
Professional Standards
Texas REALTORS®





RESOURCES

ANTITRUST

Window to the Law: Antitrust for Real Estate Professionals

Antitrust Compliance for Association/Board Leadership

Antitrust Pocket Guide for REALTORS®

Antitrust 101 for Real Estate Professionals Video

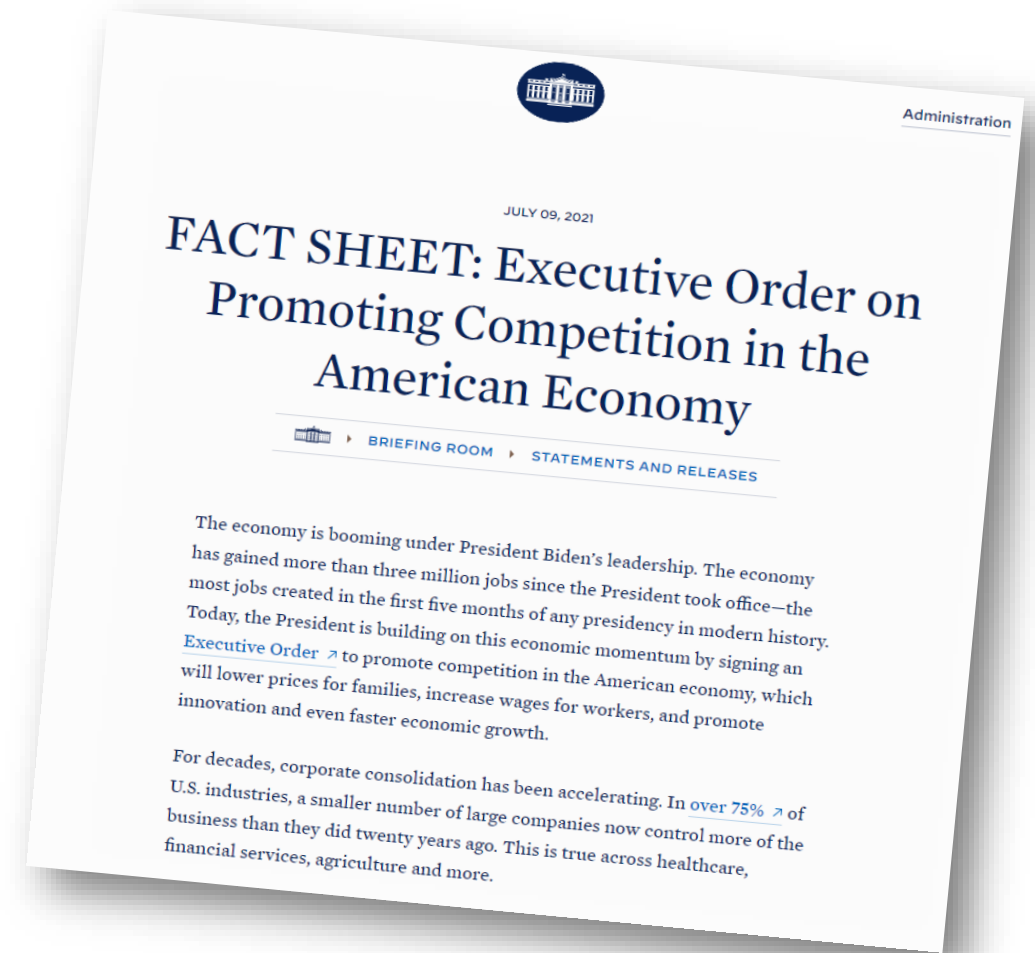
ANTITRUST

[Sample Antitrust Policy](#)

[Real Estate Brokerage Essentials](#)

[Antitrust E-book Collection](#)

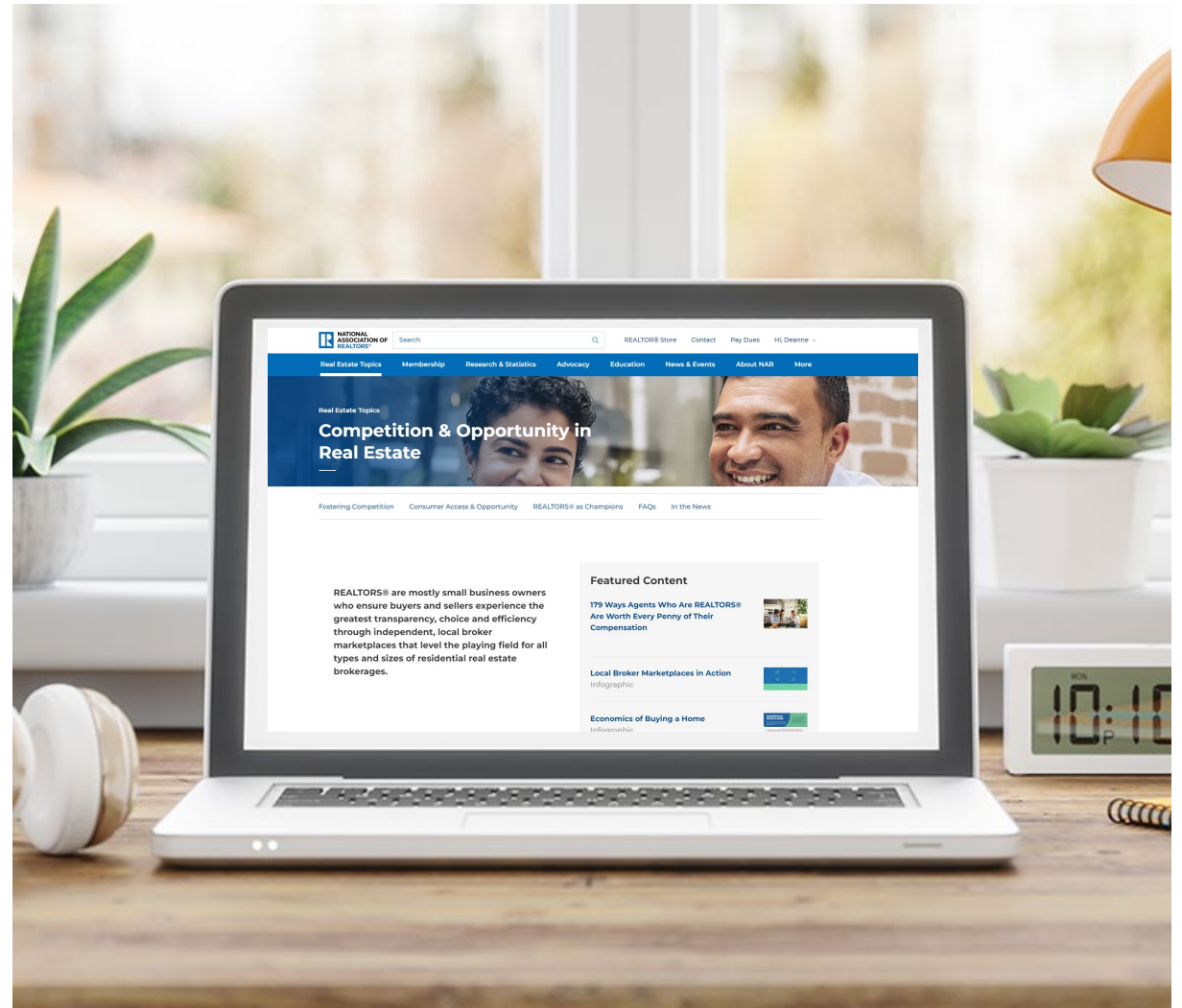
[Executive Order on Promoting Competition in the American Economy](#)



ANTITRUST

Available on competition.realtor

- Infographics
- News
- FAQs



RISK MANAGEMENT

Window to the Law

Hot Topics in Broker Risk Reduction

Legal Case Summaries

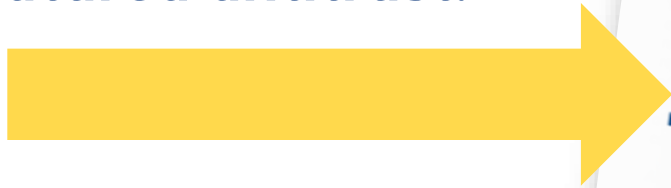
Next webinar: September 2023

details coming soon!

QUARTERLY RISK REPORT

Available on
nar.realtor/nar-insurance-program

Q1 2022 featured antitrust!



NAR INSURANCE PROGRAM QUARTERLY RISK REPORT

ANTITRUST FOR ASSOCIATIONS

Ensuring association staff and leaders are familiar with antitrust law and its applicability to the activities of REALTOR® associations is a key way to avoid antitrust claims.

Antitrust coverage has a \$1,000,000 claim limit and is "defense cost only", meaning coverage is limited to legal defense costs and does not cover monetary settlements or judgments.

ISSUE

U.S. antitrust laws prohibit an agreement, understanding or conspiracy among competitors that unreasonably restrains trade. Price fixing agreements and group boycotts are prohibited under the antitrust laws. For example, associations and MLSs should never come together to agree on fees charged to consumers or to collectively agree not to work with a particular business. Any comments or discussions about pricing or excluding a particular competitor or refusing to work with a particular vendor or supplier made during a meeting should be immediately stopped.

BEST PRACTICES

- Adopt an [antitrust policy](#) and read it at the beginning of meetings, and include the policy in meeting materials.
- Train staff to identify antitrust issues and empower them to stop conversations during meetings or events that raise concern.
- Set and follow an agenda for all meetings, take accurate minutes and consider asking counsel to review before finalizing.
- Monitor social media pages, and remove comments and discussions that are inconsistent with the association's antitrust policy and present antitrust concerns.

ANTITRUST RESOURCES

Competition.realtor

A collection of resources and shareable content focused on competition in the real estate industry. Here you'll find infographics, FAQs and articles to help REALTORS® engage with consumers and interested third parties about the pro-consumer local broker marketplaces, or MLSs, and the value REALTORS® bring to the transaction.

[Window to the Law: Antitrust for Real Estate Professionals](#)

[Antitrust Pocket Guide for Association and Board Leadership](#)

[Antitrust Pocket Guide for REALTORS®](#)

[Antitrust 101 for Real Estate Professionals](#)

[Antitrust e-book collection](#)

COVERAGE CORNER

ADDRESSING COMMON POLICY QUESTIONS

Q: Are charitable foundations covered by the NAR policy?

A: Yes.

Coverage is provided for foundations incorporated or operated as a charitable trust and whose purpose qualifies as an exempt purpose under section 501(c)(3) of the IRS Code.

Have coverage questions? Check out these Professional Liability Policy [FAQs](#).

RISK MANAGEMENT WEBINAR REPLAY

ADA Website Accessibility: What Associations Need to Know

If you missed this powerful hour of insight and practical tips, watch it [here](#). Be sure access our library of [past webinars](#), on topics like:

- Good Sense Governance
- Defending Professional Standards
- Employment

MORE INFORMATION

NAR INSURANCE PROGRAM

nar.realtor/nar-insurance-program

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THANK YOU.



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THAT'S WHO WE 

 NATIONAL
ASSOCIATION OF
REALTORS®