

WHY YOU NEED EMPLOYMENT PRACTICES LIABILITY



Real Estate Agents

Services provided: Property transactions

Due to facilitating property transactions through agents and brokers, real estate agents require Employment Practices Liability Insurance (EPLI) to protect themselves from potential financial losses and reputational damage.

KEY EXPOSURES AND INSURANCE SOLUTIONS



Discrimination: Real estate agencies may face discrimination claims if employees believe they are treated unfairly based on protected characteristics, such as age, race or gender. An insurance policy helps agencies address these claims and maintain a fair work environment.



Harassment: Given the collaborative nature of the real estate industry, harassment claims can arise from inappropriate behavior by colleagues or supervisors. An insurance policy helps protect agencies from the financial impact of harassment claims and encourages a respectful workplace.



Wrongful Termination: Real estate agencies may face wrongful termination claims if an employee feels they were unfairly dismissed. An insurance policy supports agencies in managing these claims and ensuring they follow proper termination procedures.




Wage and Hour Violations: Real estate agents often work irregular hours, making wage and hour disputes more likely. An insurance policy helps real estate agencies navigate these claims, ensuring compliance with labor laws and protecting them from financial penalties.

CLAIM EXAMPLES

Sexual Harassment: A female real estate agent experienced ongoing sexual harassment from a male colleague, but her manager failed to act, dismissing her concerns and telling her to be less sensitive. After \$32,000 in defense costs, the case settled for \$50,000. EPLI coverage is essential in addressing harassment claims and promoting a respectful work environment, while also protecting the agency's reputation and financial stability. The agency's failure to take her complaints seriously led to significant financial consequences and underscores the importance of EPLI coverage in managing such claims and maintaining a respectful work environment.

Racial Discrimination: An African American agent filed an EEOC charge alleging racial discrimination in lead distribution within her real estate agency, claiming that she received lower-value leads compared to white colleagues. The case settled for \$80,000 with \$35,000 in defense costs. EPLI insurance helps real estate agencies manage discrimination claims and ensure equal opportunities for all employees, maintaining a fair and inclusive workplace.

Gender Discrimination: A male applicant claimed gender discrimination after not being hired by a real estate firm, alleging the manager favored hiring young, attractive women. The manager admitted in his deposition that he believed women were better agents. The jury awarded the claimant \$60,000. EPLI coverage is crucial in addressing discrimination claims and promoting fair hiring practices while safeguarding the agency's financial resources and reputation.



Age Discrimination: A successful real estate agent in her 60s was terminated due to her age, as the owner believed younger clients preferred younger agents. The termination led to a charge of age discrimination and wrongful termination with the EEOC and state agency. The case settled for \$185,000 with \$50,000 in defense costs. EPLI insurance helps real estate agencies navigate age discrimination claims and ensure equal treatment for all employees, protecting the company from costly settlements and potential reputational damage.



Access Free and Discounted Business Resources

Every USLI policy comes with access to the Business Resource Center (BRC). Policyholders can save time and money by utilizing BRC resources so they can focus on growing their business. The BRC can help with hiring and training, navigating personnel issues, managing business operations and more.



bizresourcecenter.com

This document does not amend, extend or alter the coverage afforded by the policy. For a complete understanding of any insurance you purchase, you must first read your policy, declaration page and any endorsements and discuss them with your agent. A sample policy is available from your agent. Your actual policy conditions may be amended by endorsement or affected by state laws. USLI companies are members of the Berkshire Hathaway family of companies and have an A++ Superior rating for financial stability from AM Best. The insuring company names are United States Liability Insurance Company, Mount Vernon Fire Insurance Company, and U.S. Underwriters Insurance Company.