



THE AWARD WINNING HOUSTON CHAPTER

Chapter of Distinction

Outstanding Chapter Programming

Outstanding Chapter Member Services

January 2010

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2010 Houston Chapter Board Members and Advisors

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Vice President /Treasurer

Michelle Wilkerson
Newfield Exploration Company



FROM THE DESK OF THE CHAPTER PRESIDENT...

Happy New Year!

I hope each of you had a great holiday season and are ready for the New Year.

Please make a resolution now to attend as many Chapter meetings each month this year as well as the 48th Annual RIMS National Conference in Boston on April 25 – 29, 2010.

This year the Board has already scheduled some great luncheon speakers and risk management topics that will educate, inform and entertain you. In addition, the Chapter is planning more social events providing lots of networking opportunities.

This is your Chapter and we need and value your support and suggestions. As we continue to plan events for the year, we will be asking for committee volunteers and ideas. Please let one of your board members know if you are interested in participating.

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Past President

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The Mitchell Family Corporation
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Our first meeting is January 20th and I hope to see everyone there.

Victor Pivetta
President

January Meeting Topic and Speaker

Wednesday, January 20, 2010

11:30 AM – 1:00 PM

Topic: Recent Insurance Developments in the Texas Supreme Court

Speaker: Jack Carnegie, Jones



This presentation will focus on recent Texas Supreme Court insurance law rulings affecting corporate policy holders, with some comparison to recent Fifth Circuit rulings on similar issues. (I.e. The Duty to Defend and the Duty to Indemnify, Workers' Compensation Coverage: Who is protected?, etc...)

This program has submitted for approval for continuing education credit toward all general insurance lines as approved by the State of Texas Department of Insurance

Welcome New/Renewed Members

Colleen Martin

Advisors to the Board

Jim Drew, ARM (**ARM Instructor**)
Bowen Miclette and Britt, LLC
jdrew@bmbinc.com

Julia Mercer
PSC, LLC
jdmercer@pscnow.com

Ginny Penzell, ARM
El Paso Corporation
ginny.penzell@el Paso.com

Shawn Pickens, CPA (**Web Master**)
sppickens@earthlink.net



- **RIMS and CPCU Holiday Party Volunteers. December 5, 2010.**



- The children are busy putting together their crafts.

RIMS and CPCU Sponsors Holiday Party for a Worthy Organization

Contributed by Ginny Penzell, Advisor to the Board

Merry Christmas and Happy Holidays! That's what we hear throughout the Holiday season and thanks to the Houston Chapters of RIMS and CPCU, it truly was a very joyous season for some children who otherwise may have had a very different holiday. RIMS and CPCU collectively sponsored a Holiday party for Creative Dreams Outreach Center, providing them with a party on December 5 and gifts to open on Christmas. Founded by Jackie Stauffer, Creative Dreams is a non-profit after-school arts and tutoring program for middle and high school students in Missouri City. It offers free art, dance and music lessons as well as academic tutoring to youth age 11-18 from low income families, in foster care or who are mentally challenged

At the party, the children enjoyed getting their faces painted, decorating (and eating) cookies, making keepsake boxes, and, of course, receiving gifts from Santa. To further promote the mission of RIMS, each child who participated in the festivities was required to sign a wallet size card where they pledged to wear their seat belt every time they are in a vehicle.

It was because of so many wonderful volunteers that we were able to offer this wonderful event. Thanks to everyone who participated. Thanks especially to the Hanlon family who once again provided the children a fun crafts activity, Cindi Vickers for organizing the party activities and, with Margaret Hughes' help, making delicious sugar cookies for the kids to decorate, Sondra Faul for bringing the drinks and ice, and all the volunteers that helped purchase gifts for all 36 children. Mack Rogers as Santa Claus gave out the gifts but more importantly spent time with each child and gave out his special kind of encouragement, which by the looks of each child, was one of the most precious gifts received.

Thanks again to all and please be sure to diary your calendar so you can participate next Christmas.

Happy New Year!

***Jackie Stauffer, founder of Creative Dreams, will be sharing some thank you cards from the children during the January



- Santa passed out the gifts and spent time talking to each child. Thanks Santa (aka Mack Rogers).



- Cookie decorating



luncheon meeting. She will give us a brief overview of Creative Dreams

Houston Chapter Member, Michael Phillipus, is Welcomed to the National RIMS Board of Directors

Contributed by Inside RIMS

RIMS is pleased to announce that Terry Fleming has taken the helm as president for the 2010 term, effective January 1. Terry is director of the division of risk management for Montgomery County, Maryland, and has served on RIMS board of directors since 2004.

Deborah Luthi, director of enterprise risk management services for Matheson, Inc., will serve as vice president. John Phelps, director of business risk solutions at Blue Cross and Blue Shield of Florida, Inc. will serve as treasurer, and Scott Clark, risk and benefits officer for the School Board of Miami-Dade County, Florida, will serve as secretary.

Also joining the board are two new faces, Julie C. Pemberton, manager of enterprise risk management for Chiquita Brands International in Cincinnati and **Michael D. Phillipus**, director of insurance and risk management for ATP Oil & Gas Corporation in Houston.

Department of Labor Proposes Significant Changes to Obligations of Employers to Report Information Related to Union Organizing

Contributed by Seyfarth Shaw, LLP

On Monday, December 7, 2009, the U.S. Department of Labor (DOL) released its regulatory plan for 2010. As part of its agenda, DOL is proposing substantial changes to an employer's obligation to report certain information related to union organizing to the

- Santa hands out the gifts

Meeting Dates for 2010

January 20, 2010

February 17, 2010

March 16, 2010
Joint CPCU Meeting

April TBA 2010
Evening Broker
Appreciation Social

April 25-29, 2010
48th Annual RIMS Conf.
Boston Massachusetts

The Houston Chapter
RIMS mailing address is

5090 Richmond Ave. #86
Houston, TX 77056-7402

federal government under the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA). In this regard, DOL is actively looking at narrowing an existing and longstanding exemption in the statute from reporting "advice" provided by an employer's labor relations consultants and attorneys.

In the absence of such an exemption, section 203(a)(4) of the LMRDA, 29 U.S.C. §433, requires employers to disclose certain agreements or arrangements between the employer and labor relations consultants, including those where an objective is to persuade employees regarding their rights to organize and join a labor union, or to refrain from doing so. For example, the reporting requirements of the LMRDA can apply to employer agreements with consultants or the employer's attorneys to create materials such as memoranda, letters, speeches, or videos to be delivered to employees to persuade them not to join a union. In addition, section 203(a)(5) of the Act requires employers to report any payments made in connection with such agreement or arrangements.

When there is reportable activity, the employer must file a Form LM-10 with DOL, providing an explanation of the terms of covered agreements or arrangements, including payment details. Importantly, copies of the Form LM-10 reports filed by each employer are public documents and readily accessible on the DOL's website. Moreover, violations of the disclosure requirements can lead to civil and/or criminal penalties. Section 203(c) of the LMRDA currently provides a significant exemption to the employer and labor relations consultant reporting requirements, often protecting consultant activities and payments received from disclosure. Under this provision, an employer is not required to file a report covering services of a labor relations consultant or attorney which constitute giving "advice" to the employer.

Historically, this "advice" exemption has shielded from disclosure activities where the consultant or attorney does not have direct contact with potential "bargaining unit" employees and limits his/her activities to providing the employer with advice or materials which the employer is free to accept or reject. This exemption has been used to protect employers from disclosing the work of consultants or attorneys who prepare draft materials, including persuasive speeches, letters, or other documents, so long as the consultant or attorney does not provide the materials directly to the employees.

As part of the DOL's agenda for 2010, Labor Secretary Hilda Solis announced an intent to narrow the scope of this advice exemption by enacting new regulations in the coming year. While the DOL has not, as yet, provided insight into the specific changes it is seeking to implement, there was a similar effort to revise the LMRDA advice exemption at the end of the Clinton Administration in January 2001. The regulations enacted by the

Clinton Administration dramatically limited the scope of the advice exemption, requiring disclosure of any activities where an objective is persuasion of employees. All persuasive scripts, letters, videotapes, or other materials drafted by an attorney or consultant had to be disclosed if persuading employees regarding their union rights was an objective of such activity, regardless of whether the consultant or attorney was in direct or indirect contact with employees. After delaying implementation of the January 2001 regulations, the Bush Administration rescinded them in April 2001, returning to the application of the advice exemption currently in force.

Given the likelihood that DOL, if it moves forward, will put in place regulations similar to the January 2001 ones, there is a good chance that employers will be subject to additional LMRDA reporting requirements. Aside from being time consuming, such requirements—if enacted—will be utilized by unions in an effort to embarrass the reporting employers (e.g., by showing how much money the employer is spending to defeat unionization). We will continue to monitor developments regarding these potential regulations

UH-Downtown Insurance and Risk Management Program Update



- Nancy Stucky, RIMS President presents \$20,000 award to Dr. Wendall Braniff, IRM Center Director and students Adrian Hopkins, Scott Long, and Isabel Vaquera and Mary Sias, IRM Office Administrator

*Contributed by:
Wendall Braniff, Director
Insurance and Risk Management Center
College of Business
University of Houston Downtown*

Houston Chapter of the Risk and Management Society presented the Insurance and Risk Management Center at the University of Houston Downtown with an award of \$20,000 at their annual Christmas dinner and meeting at the Briar Club. Outgoing President Nancy Stucky presented the check to a delighted Dr. Wendall Braniff, Director of the Center and UH IRM students Adrian Hopkins, Scott Long and Isabel Vaquera and Mary Sias, IRM Office Administrator.

“Houston RIMS is a founding member of the IRM Center, having supported and contributed to a vision to make it a reality,” Dr. Braniff said. “The continued support of RIMS will make it possible for UH

NOTICE:

Effective January 1, 2008, the RIMS Society has changed their method of collecting Local Chapter Dues. In the past there were two deputies included with the membership, then a charge for each additional deputy added. Under the new structure they will begin collecting chapter dues on a per deputy member basis. The new structure for the Houston Chapter Dues is \$55 per deputy member. The change will be reflected on the renewal invoice. The dues structure for associate membership has not changed.

Please see our Chapter Website for additional information:

WWW.RIMS.ORG/HOUSTON

or

WWW.RIMS.ORG – Chapters – Houston

Downtown students to attend and participate in the RIMS Annual Convention in Boston in April 2010 and will provide scholarships, course materials and other opportunities for academically-qualified students. IRM majors and minors with a GPA of 2.81 and higher will be eligible for scholarships ranging from \$250 to \$1,000.

UHS's Insurance and Risk Management undergraduate degree program was successfully launched in the fall 2009, owing to its unique partnership between academia and the insurance and risk management industry and UH-Downtown's ability to provide a quality education with the flexibility to meet working student's needs.

The text books and course materials include those used by the Chartered Property and Casualty Underwriter (CPCU), the Certified Life Underwriter (CLU) and the University Associate Certified Risk Manager (UACRM), thus, students can complete the core courses for these designations while earning college credits and working toward a degree. Licensed agents will also receive proof of attendance to obtain credit for annual Continuing Education credits required by the Texas Department of Insurance.

For more information concerning the UHD IRM program, contact Dr. Wendall Braniff, Director, at braniffw@uhd.edu or go to <http://www.uhd.edu/academic/colleges/business/mmba/irm.htm>. For information concerning admissions to the program and evaluation of college transcripts, contact Dr. Carmen Cuevas, Director, College of Business Advising Office at 713-221-867 or cuevasc@uhd.edu or go to the UHD admissions website at <http://www.uhd.edu/admissions>.

Memberships - National

Please be advised that with the economic conditions and the number of

layoffs that has occurred, RIMS National has announced that the Deputy memberships will not be automatically terminated for up to six months for those members that have been laid off. Please notify the National Membership office if a layoff has occurred.

Professional Development - National

Developing and Implementing A Captive Insurance Company

January 25-26, Scottsdale, AZ

Workers' Compensation Management

January 27-28, La Palma, CA

Business Continuity/Disaster Planning and Management*

January 27-28, New Orleans, LA

Creating Value: Risk Manager as Innovator

February 1-26, Online Course

Casualty Claim Handling Techniques: Agency Law

February 4, Online Course

Professional Development - CPCU

Contractual Risk Transfer: Issue and Indemnification

The CPCU is presenting an Educational Seminar with at topic of Contractual Risk Transfer. It will be held on **February 16th** at the Briar Club. They have applied for 3 hours of CE credit. It should be interesting and informative. They will have various representatives from the Industry discussing Issues and Indemnification of Contractual Risk Transfers.

This seminar will provide a comprehensive discussion of the concepts, legal environment, claims perspective and administration of risk transfer and contract requests.

They will highlight issues associated with requests for additional insured status and the certificates of insurance that accompany such requests, along with legal ramifications and indemnity developments. Insurance and risk management professionals should attend this seminar to enable their clients in exercising due diligence in managing these contracts and agreements from subcontractors, suppliers and/or tenants.

Discussions will be led by attorneys from Brown Sims, PC, Houston, TX who will review the legal concepts of risk transfer and the current legal environment involving these contracts.

Educational and Associations Websites:

American Institute for CPCU and Insurance Institute of America www.aicpcu.org

Charter Property Casualty Underwriters Society www.cpcusociety.org

Institutional Risk Management Institute www.irmi.org

The National Alliance
www.scic.com

**Construction Risk and
Insurance Specialist**
www.cris-ce.com

**For further Educational
Opportunities Forms or
Information, please visit the
Chapter website at:**

<http://houston.rims.org/ChapterWebsite/RIMSChapter.cfm?CID=328>

There will also be a certified safety professional from a large insurer that specializes in contracting and manufacturing risks; he will discuss carrier requirements and administering contract requests.

Also a liability claims manager will discuss the claims perspective and various indemnity developments in the courts (Texas and other states).

Attendance Fee: \$50 per person
\$45 per person for 3+ persons from same office

Includes: Overhead, materials, coffee, rolls

Lunch after: East Room – Briar Club
Hosted by Houston Chapter of CPCU @ \$20 per person
(Pre-paid Chapter members “free”)

**Some pre-printed flyers will be available on
the Education Table at the January 20th RIMS
meeting.**

Professional Development - Energy Trading & Risk Management

“Assess the latest structures, strategies and risk
management applications for profitable energy trading...”

Energy Trading and Risk Management

Physical and financial trading strategies, hedging, risk management
and compliance

18th – 19th February 2010: Houston, TX – USA

Energy trading is growing rapidly globally. It is essential to be up-to-date to the latest trends, opportunities and advances in this industry in order to benefit from profitable strategies. This training course will provide insight on strategic trading and effective pricing of energy derivative structures while illustrating best practice of these to mitigate risks. The 2-day seminar is clearly structured to cover the instruments and market characteristics in depth, addressing the specifics of modeling energy products and risk management application of these instruments. Risks are defined in the context of energy markets including main approaches to estimating and calculating value-at-risk. The practical case studies will ensure you discuss areas of concern that might arise from your day to-day work and enable you to put into practice any theory discussed.

**For a full program and registration information, please
reply to hythamg@marcusevansuk.com with ‘more
information on ‘Energy Trading and Risk Management’
in the subject line**

How will you benefit?

- Detailed overview of physical and financial energy markets for oil, refined products, weather and emissions
- Discover the latest models for the pricing of energy and energy derivatives
- Understand the most popular stress testing tools and their application in risk management
- Profitable strategies case studies
- Illustrate how to use energy derivatives instruments to mitigate risks
- Define market, strategic, credit and operational risk in the context of energy markets

Expert Course Leader

Tom James

Energy and Commodities Markets Expert & Author

Tom James is an expert in Energy and commodity markets. His broad experience gained through 20 years in the energy and commodity sector, covers investment in and trading across Asian, Central Asian, Middle East, West African, European and North American markets.

His career has spanned the complete value and business process chain from upstream to downstream in energy & other commodity markets. Through this he has built up a holistic understanding of the key elements of investment and risk management decision making. A recognized business architect with a proven track record of building and developing businesses in this sector. In addition to this through his work for investment banks and trading firms as an experienced market analyst and trader, he has had the opportunity to prove his abilities in leading, motivating and developing teams of traders and investment professionals.

Please see the Local Chapter website and the RIMS.org Jobs Listing for details.

2009 - 2010 Houston Chapter Membership Directories

The 2008 - 2009 Houston Chapter Membership Directories are available. The directory may be picked up at the monthly meetings.

National RIMS Conference 2010

Registration for **RIMS 2010 Annual Conference & Exhibition**, April 25-29 in Boston, Massachusetts at the [Boston Convention & Exhibition Center](#) opened Monday, November 9, 2009!

Here is some key information on RIMS 2010 to keep you and your chapter members connected:

November 9, 2009: Registration Opens

February 26, 2010: Early Bird Registration Cut-off

March 26, 2010: Registration Cut-off

To register visit www.RIMS.org/RIMS2010. Registration fees for RIMS 2010 are listed below.

	<u>Early Bird</u> Through 2/26/2009	<u>Regular</u> Through 3/26/2009	<u>On-Site</u>
<u>Member</u>			
Full Conference Pass	\$ 850.00	\$ 960.00	\$ 1,100.00
Corporate 3rd Member	\$ 600.00	\$ 675.00	\$ 775.00
One Day Pass	\$ 400.00	\$ 455.00	\$ 500.00
<u>Non-Member</u>			
Full Conference Pass	\$ 1,175.00	\$ 1,285.00	\$ 1,425.00
One Day Pass	\$ 475.00	\$ 525.00	\$ 575.00
Affiliate Member	\$ 360.00	\$ 360.00	\$ 360.00
Retired Member	\$ 360.00	\$ 360.00	\$ 360.00
Educational Member	\$ 360.00	\$ 360.00	\$ 360.00
Student Member	\$ 150.00	\$ 150.00	\$ 150.00
Student Non-Member	\$ 200.00	\$ 200.00	\$ 200.00

Don't forget to [book your housing](#) now for the most availability at the best rates!

Job Postings

National RIMS Website - Texas

Sr. Risk Practitioner-Fort Worth

Risk Assistant-Dallas

Division Director, Underwriter and Marketing-Austin

Houston Area – Local Chapter Posting:

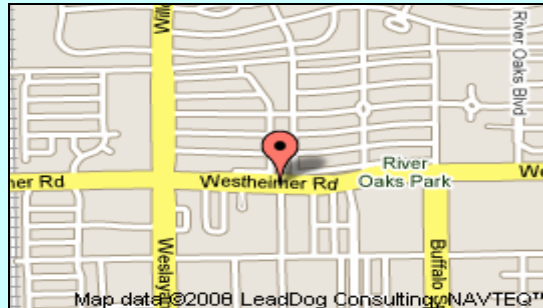
Workers' Compensation Production Manager

San Antonio – Local Chapter Posting

Asst. Risk and Safety Manager

Monthly Luncheon Meeting Place

The Briar Club
2603 Timmons Lane
Houston, Texas 77027
Telephone: (713) 622-3667



Directions to The Briar Club

The Briar Club is located at 2603 Timmons Lane, Houston, TX 77027. It is on the corner of Westheimer and Timmons Lane between the north - south streets of Edloe and Wesleyan.

Border Streets

Between Wesleyan and Buffalo Speedway (N-S) and West Alabama and Westheimer (E-W)
» East of Galleria towards downtown
» West of Kirby and Shepherd

From George Bush Intercontinental Airport (IAH)

Go South on US-59/Eastex Freeway
Exit Buffalo Speedway and turn RIGHT/North
Turn LEFT on Westheimer
Turn LEFT on Timmons Lane @ WhataBurger

From William P. Hobby Airport (HOU)

Go North on I-45/Gulf Freeway
Exit US-59 South toward Victoria
Exit at Buffalo Speedway and turn RIGHT/North
Turn LEFT on Westheimer
Turn LEFT on Timmons Lane @ WhataBurger

From Sugar Land

Go North on US-59/Eastex Freeway
Exit at Buffalo Speedway and turn LEFT under the Freeway
Turn LEFT on Westheimer
Turn LEFT on Timmons Lane @ WhataBurger

From 290/Northwest

Go East on 290/Northwest Freeway
Take 610 South
Exit at Westheimer and turn LEFT under the Freeway
Turn RIGHT on Timmons Lane @ WhataBurger

From Katy

Go East on I-10 (Katy Freeway)
Take 610 South
Exit at Westheimer and turn LEFT under the Freeway
Turn RIGHT on Timmons Lane @ WhataBurger

From Kingwood

Go South on US-59/Eastex Freeway
Exit at Buffalo Speedway and turn RIGHT/North
To Westheimer
Turn LEFT on Timmons Lane @ Whataburger