



**Risk and
Insurance
Management
Society, Inc.**

THE AWARD WINNING HOUSTON CHAPTER

Chapter of Distinction

Outstanding Chapter Programming

Advancing the Risk Management Profession

December 2008

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2008 Officers and Directors

President

Ginny Penzell, ARM
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First Vice President

Nancy Stucky
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Treasurer

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Swift Energy
Stephanie.degreve@swiftenergy.com

Assistant Treasurer

Michelle Wilkerson
Newfield Exploration Company
mwilkerson@newfield.com



FROM THE DESK OF THE CHAPTER PRESIDENT...

I can't believe the holidays are here. In fact, on December 10th we had our last meeting of the year and it was both educational and entertaining. Our speaker, Chad Rosenberg discussed Commercial Surety Bonds and provided copies of his book "Commercial Surety for Dummies." In addition, we had wine and cheeses while Chad shared his expert knowledge on cheeses. Where else can you earn CE credits and share good holiday cheer with friends and colleagues.

The annual **Wellsprings party was on Saturday December 6th**. Thank you to everyone who participated in this annual event.

As this is my last message as President of the Houston Chapter RIMS board, I want to tell you that I have really enjoyed my term as Chapter President and thank everyone for supporting the Chapter and our efforts and goals. I especially want to express my deepest appreciation to the members of the 2008 Board for all their contributions and hard work.

The 2009 Board Members were sworn in at the December meeting. They are a wonderful group that will work hard for you and the Chapter. Come show them your support in the coming new year.

Happy Holidays!

Ginny Penzell

Vice President/Secretary

Sondra K. Faul, CIC
The University of TX HSC-H
sondra.k.faul@uth.tmc.edu

Vice President/Asst. Secretary

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RIMS Delegate

Ella Andrews
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eandrews@friedkin.com

2009 Board of Directors

President – Nancy Stucky

GPM, Inc.
Risk Manager

First Vice President – Victor Pivetta

Key Energy Services, Inc.
Risk Manager

Vice President and Treasurer – Stephanie Degreve

Swift Energy Operating
Risk Analyst

Assistant Treasurer – Michelle Wilkerson

Newfield Exploration Company
Risk Analyst

Vice President and Secretary – Sondra Faul

University of Texas HSCH
Insurance & Claims Analyst

Vice President and Assistant Secretary – Cynthia

Vickers
El Paso Corporation
Principal Insurance & Risk Management Analyst

Director – Chapter Liaison - Jo Anne Lancaster

Westlake Chemical Company
Sr. Risk Analyst

Director – Education – Sharon Guillory

Rain CII Carbon, LLC
Insurance Manager

Associate Director – Education - Shona Bascon

Shell Lubricants
HSS Integration Representative

Director – Job Placement – Barbara Lewis

Jacobs Engineering Group
Sr. Workers Compensation Analyst

Director - Legislature – Nickolas Kapatos

Sterling Bancshares, Inc.
Sr. Vice President & Enterprise Risk Manager

Past President

Cynthia Vickers, ARM
El Paso Corporation
cynthia.vickers@elpaso.com

Web Master

Pending

Meeting Dates for 2009

January 12, 2009

February 18, 2009

**Joint Meeting with CPCU
hosted by RIMS**

March 18, 2009

April 15, 2009

47th Annual RIMS Conference

**April 19 - 23, 2009
Orlando, Florida**

May 20, 2009

June 17, 2009

July 15, 2009

August 19, 2009

September 16, 2009

**Houston Chapter Fall
Conference – TBA**

November 18, 2009

December 9, 2009

Director – Membership – Jennifer Howard

The Blood Center
Assistant Risk Manager

Associate Director – Membership – Terry Owens

Goodman Global, Inc.
Corporate Claims Manager

Director – Public Relations and Newsletter – John

Lawson
Goodman Global, Inc.
Director of Risk Management

Director – RIMS Delegate – Ella Andrews

Friedkin Companies
Insurance Manager

Director and Past President – Ginny Penzell

El Paso Corporation
Risk Manager

Webmaster – Shawn Pickens

Advisory Services, LLP
Senior Manager

Risk Management Discussion

What Kind of Coverage is "Builders Risk"?

Builders Risk coverage is a form of insurance applicable to the construction of a building or dwelling, from beginning until completion, including coverage on the materials and equipment - even tools - at the site during the various stages of completion of the structure. There are various forms of the coverage, including completed value or reporting forms, where the insured may have various projects pending.

Most people think of the coverage as a commercial property form, like fire insurance, that covers a named peril or all risk basis, the structure and other property. "Not so!" ruled an Arizona Appellate Court. It is not fire insurance! So, what is it?

The claim involved construction of dorms at the Arizona State University. The contractor had a builders risk form of insurance, and in it were endorsed warranties that the contractor would reduce the hazards by providing an adequate number of fire extinguishers, conduct fire watches during welding processes,

The Houston Chapter RIMS
mailing address is

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

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.

inspect frequently to be sure there were no smoldering fires, and generally meet OSHA requirements. A subcontractor who was using a welding torch set off a fire that caused over \$2 million in damages. The insured made a claim under the builders risk policy, and the insurer denied it on the basis that the insured had not complied with the endorsed warranties.

But that's not consistent with the Arizona standard fire policy, the insured argued. It isn't fire insurance, the Court responded. It is inland marine insurance, and just like ocean marine insurance, warranties are intended to be met. The insured failed to comply, so the coverage is inapplicable. One commentator compared it to insurance on an ocean-going vessel, where the implied warranty is that the vessel is seaworthy. If it is not, it is not insurable.

Contributed by Crawford Educational Services

2009 RIMS on the Hill - Austin

On January 13, 2009, the 81st regular session of the Texas Legislature convenes in Austin Texas. Currently, there are no less than 57 pieces of insurance related legislation being considered by the House of Representatives and/or Senate during the upcoming session.

The Risk & Insurance Management Society and the Houston Chapter support activities that encourage chapter members to become knowledgeable regarding the legislative process within their respective states. Additionally, state politicians and their various staff members, need to understand the role Risk Managers serve, among the buyers of business insurance within their constituencies.

There is a tentative plan for interested members from all RIMS chapters from Texas, to gather in Austin between March 1st and 3rd, for the first joint Texas RIMS On the Hill. Look for information to be posted regarding legislative activity and our chapter plans for making RIMS position(s) known on current and future risk management related legislation. In the meantime, visit www.capitol.state.tx.us, to learn more about our Texas state government and the upcoming 81st regular session.

You may also contact Nick Kapatos, Director of Legislation at 713-507-2005 or nick.kapatos@banksterling.com for more information.

Please see our Chapter Website for additional information:

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

or

WWW.RIMS.ORG – Chapters - Houston

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

2008 - 2009 Houston Chapter Membership Directories

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

Associate in Risk Management Course

The Houston Chapter of the Risk and Insurance Management Society, Inc. (RIMS) will be sponsoring an ARM 54 class this spring. This course is part of a three semester specialty program leading to the Associate in Risk Management (ARM) Designation. The course is open to the general public, including all risk management, insurance and safety professionals.

ARM 54 – RISK ASSESSMENT

CLASS LOCATION: Bowen, Mickette & Britt, 1111 North Loop West, Suite 400, Houston, Texas

CLASS START DATE: Tuesday Evenings—Starting January 13, 2008, 5:30 P.M. – 7:30 P.M. (ends – mid April 2009)

COURSE LEADER: Jim Drew, ARM, CIC
Office Phone: (713) 880-7172
E-mail: jdrew@bmb-inc.com

EXAM DATES: April 15 – May 15 testing window at Sylvan Testing Centers by appointment.

Professional Development Schedule

Enterprise Risk Management*

January 22 - 23, New Orleans

Strategic Risk Control*

January 26 - 27, Houston

Contractual Risk Transfer*

January 26 - 27, Toronto

Claims Management*

January 29 - 30, Kansas City, MO

Fundamentals of Insurance

February 3 - 4, Scottsdale

Techniques of Risk Management

February 5 - 6, Scottsdale

Workers' Compensation Management*

February 12 - 13, Nashville

Risk Financing

February 12 - 13, San Diego

Errors and Omissions (E&O) and Professional Liability*

February 19 - 20, Raleigh

Minimizing Insurance and Claims Costs

February 23 - 24, San Jose, CA

Fundamentals of Managing Market Risk*

February 24 - 25, Calgary, AB

Business Continuity/Disaster Planning & Management*

February 26 - 27, New York

New! Risk Analysis Tools Boot Camp

March 3 - 6, Miami

A special four-day program for enhancing risk management data analysis and decision making.

Enterprise Risk Management for the Advanced Practitioner*

March 5 - 6, New York

Techniques of Risk Management

March 10 - 11, San Francisco

Fundamentals of Insurance

March 12 - 13, San Francisco

Directors and Officers Liability and Insurance*

March 12 - 13, Cincinnati

Move Your Program to the Next Level: RIMS Risk Maturity Model for ERM*

March 23 - 24, New York

NEW! Entrepreneurial Risk Management (ERMe): Risk Management as a Profit Center (AB)

April 6 - 7, Edmonton, AB

2009 National RIMS Conference

Registration for RIMS 2009 Conference & Exhibition is now open! - Learn how to navigate the complexities of risk at RIMS 2009 Annual Conference & Exhibition in Orlando on April 19-23.

With 120+ sessions offered at all experience levels and presented by 400 industry experts, you'll find the instruction you need to strengthen your risk program. Browse the Exhibit Hall and find hundreds of companies offering the latest innovations and breakthrough solutions. And be ready—you'll experience networking opportunities at every turn.

Register now at www.RIMS.org/RIMS2009 and save \$105! Early bird registration rate expires February 20th, so don't delay!

Job Postings

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

National RIMS Website

Risk Manager – Irving, Texas
Insurance Coordinator – Houston, Texas

Local Chapter RIMS Websites

Houston Area:

Manager, Casualty

Austin Area:

Claims Adjuster
Personal Lines Homeowners Property Claims Adjuster

Dallas Area:

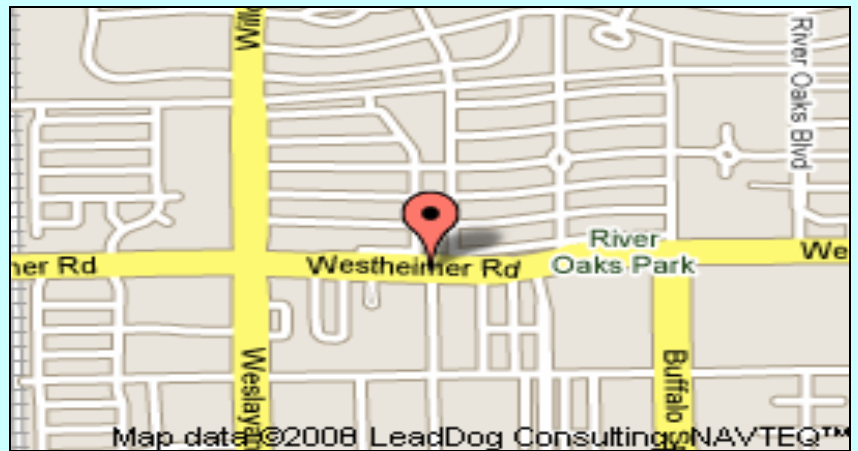
Insurance and Captives Manager
Director, Risk Management (2)

San Antonio Area

Risk Analyst

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
urn LEFT on Timmons Lane @ Whataburger