



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

THE AWARD WINNING HOUSTON CHAPTER

Outstanding Chapter Programming
Advancing the Risk Management Profession
(Chapter of Distinction)

April 2008

In This Issue:

- President's Note
- April 16th Meeting
 - Continue Education Credit Applied
- Legal Update
- RiskWiki
- RIMS Annual Conference
- CPCU Workshops
- Business Continuity and Disaster Planning
- Spring 2008 Professional Development Schedule
- Year of Change
- Vendor Corner
- New/Renewed Members
- Texas Job Postings
- Chapter Meeting Place

2008 Officers and Directors

President

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

First Vice President

Nancy Stucky
GPM, Inc.
acunavlaw@aol.com

Treasurer

Stephanie Degreve
Swift Energy
Stephanie.degreve@swiftenergy.com

Assistant Treasurer

Michelle Wilkerson
Newfield Exploration Company
mwilkerson@newfield.com

FROM THE DESK OF THE CHAPTER PRESIDENT...

April and May are always filled with RIMS activities and 2008 is no different.

The RIMS Houston Chapter's monthly meeting on **April 16** will be of interest to all. The topic is Data Protection Risks, specifically security and privacy liability. If you have ever been concerned about identity theft, credit card protection or data breaches and their costs not only to your company but also to you, this is one meeting you will not want to miss. Emily Freeman with Lockton International will address the legal and regulatory environment for these risks as well as major incidents and losses.

RIMS National is **April 27 – May 1, 2008** in San Diego. The RIMS Houston Chapter has reserved two tables for the RIMS Annual Conference General Session from 8am – 10am on Monday, April 28 and the RIMS Awards Luncheon on the same day from 12:15pm – 1:30pm. If you are planning to be at both or either of these meetings, please be sure to come sit at our Chapter's tables.

As I mentioned last month, on **May 15, 2008** we will have a Member Appreciation Evening Social at which you can socialize and network with friends and peers. The Social will be at **Champps Americana located at 1121 Uptown Park Blvd from 5:30pm – 7:30pm**. Watch your emails for the invitation to this event!

Last but not least, be sure to mark your calendar for the RIMS Houston Chapter Fall Conference at The Woodlands Resort on **October 17, 2008**. If you are interested in helping to organize this event or provide donations please contact me at Ginny.Penzell@elpaso.com. This year we will also have vendor exhibitors, although space is limited. If you are interested in participating, please get your requests in to me early.

Look forward to seeing you at the above events.

See you soon!

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

Victor Pivetta
Houston ISD
vpivetta@houstonisd.org

Membership/Attendance

Marty Timpano
Sysco Corporation
timpano.marty@corp.sysco.com

Associate Director/Membership

Jennifer Howard
The Blood Bank
jhoward@giveblood.org

Public Relations/Newsletter

John Lawson, ARM
Goodman Global, Inc.
john.lawson@goodmanmfg.com

Job Placement

Barbara Lewis
Jacobs Engineering Group
barbara.lewis@jacobs.com

Chapter Liaison

Christine Sparks, ARM
TOTAL American Services, Inc.
christine.sparks@total.com

Education

Wayne Dauterive, CIC, CRM, ARM,
RF, CRIS
Metro National Corporation
wayned@metronational.com

Associate Director/Education

Shona Bascon
Shell Oil Company
shona.bascon@shell.com

Legislation

Nikolas G. Kapatos
Sterling Bancshares, Inc.
nick.kapatos@banksterline.com

RIMS Delegate

Ella Andrews
Friedkin Companies, Inc
eandrews@friedkin.com

April Meeting Topic and Speaker

This program has applied for continue education credit toward all general insurance lines with the State of Texas Department of Insurance

“Data Protection Risk”

Speaker: Ms. Emily Freeman

Identity Theft. Credit card protection. Data breaches. These are some of the major concerns we have during this day and time. Have you ever considered the costs to you and your company? Is your company protected? Are YOU protected?

Come to the meeting on April 16 and hear Emily Freeman with Lockton International and become more familiar with the current issues surrounding data protection risks, specifically security and privacy liability. She will address the legal and regulatory environment for these risks as well as major incidents and losses regarding personal information. Additionally, she will show how these risks have changed given trends to outsource or off-shore key aspects of business infrastructure and IT functions.

Come and bring your IT specialists and gain new insights on these important issues.

TEXAS SUPREME COURT RULING ON USE OF INSURER'S STAFF COUNSEL

On March 28, 2008, the Texas Supreme Court issued an important decision regarding the use of staff counsel by insurance companies to represent their insureds, *UPLC v. American Home Assurance Co.*, --- S.W.3d ----, 2008 WL 821034, 51 Tex. Sup. Ct. J. 590, (Tex. March 28, 2008). Staff counsels are not to be confused with captive counsel or regular insurance defense counsel. A captive firm is a separate law firm that has only one client—the carrier. Staff counsel, on the other hand, are actual employees of the carrier, receiving salary, benefits and promotions from the carrier’s management. Challenges had been made to this arrangement alleging that the carrier, as a corporate entity, was engaging in the unauthorized practice of law.

The Texas Supreme Court held that the carrier may utilize staff counsel, as long as the interests of the carrier and the insured are “congruent.” According to the Supreme Court, their “interests are congruent when they are aligned in defeating the claim and there is no conflict of interest between the insurer and the insured. A staff attorney must fully disclose to an insured his or her affiliation

Past President

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

Web Master

Pending

Meeting Dates for 2008

April 16, 2008

April 27- May 1, 2008
46th Annual RIMS Conference
San Diego, CA

May 15, 2008
Member Appreciation Social Event

May 21, 2008
Staff Appreciation Day

June 18, 2008

July 16, 2008

August 20, 2008

September 17, 2008

October 17, 2008
Houston Chapter Fall Conference

November 19, 2008

December 10, 2008

with the insurer." In reaching its decision, the Texas Supreme Court found it significant that there was no evidence in the record of injury to private or public interest caused by a staff attorney's representation of an insured.

With regard to the imputation of confidential information received by the staff attorney from the client, the Court noted that it could be argued that this knowledge would estop the insurer from using the information.

The Texas Supreme Court also indicated that staff counsel could represent two clients—the carrier and the insured—simultaneously. This appears to be a departure from its pronouncements in *Traver*, where the Supreme Court held that the insurance defense counsel only has one client—the insured. In *UPLC*, the Supreme Court stated that it had never held that an insurance defense lawyer *cannot* represent *both the insurer and the insured*, only that the lawyer *must* represent the insured and protect his interests from compromise by the insurer. The Court also stated that it had noted that "an insurer's right of control generally includes the authority to make defense decisions *as if it were the client* 'where no conflict of interest exists.' "Rule 1.06 of the Texas Disciplinary Rules of Professional Conduct allows a lawyer to represent more than one client in a matter if not precluded by conflicts between them.

Finally, the Supreme Court outlined some instances where the use of staff counsel would become the unauthorized practice of law. If:

an insurer's interest conflicts with an insured's;

the insurer acquires confidential information that it cannot be permitted to use against the insured;

an insurer attempts to compromise a staff attorney's independent, professional judgment; or

in some other way the insurer's and insured's interests do not have the congruence they have in the many cases in which they are united in simple opposition to the claim.

In these cases, the insurer cannot use a staff attorney to defend the claim without engaging in the practice of law.

*Information on this matter contributed by:

James Cornell
Cornell & Pardue

A full copy of the opinion is available upon request

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.

RiskWiki: The Definitive List of Terms and Phrases for the RM industry

Wikipedia is a free, multilingual, open content encyclopedia project operated by the non-profit Wikimedia Foundation. Its name is a blend of the words wiki (a technology for creating collaborative websites) and encyclopedia. And it's one of the most popular sites on the Internet.

Not to be outdone, RIMS' IT maven, Andy Steggles, has developed RiskWiki, a definitive guide to terms, phrases and acronyms from within the risk management community. The glossary is open to all RIMS members to update as they see fit. It's been nearly ten years since the RIMS research committee painstakingly put together the existing glossary. Now, using wiki technology, all 10,000 plus members can actively help update it. RiskWiki is the state-of-the-art single source for risk management definitions.

Some key features include:

1. The ability for any member to add/edit any definition/acronym or term.
2. Full version history so any update can be rolled back at any time.
3. Social media integration such as ratings, comments, related links and demographic statistics.
4. The ability to "request a definition".
5. Members providing definitions can indicate various statuses, such as "Needs a little help," "Someone please confirm this is accurate," "Ready," etc.
6. Tag Cloud – this is the big box of words at the top. A tag cloud allows you to see the most popular words in alphabetical order. The popularity is reflected by the size of the font.
7. Ability to sort in a variety of orders including alphabetical, most popular, top rated and most recent.
8. Comprehensive search capability.
9. Ability to add links and URLs to terms.
10. RSS Feeds.

Visit and help update the RiskWiki Glossary today:

www.rims.org/glossary



CHANGE THE WAY
YOU TALK ABOUT RISK

46th Annual RIMS Conference San Diego, California April 27- May 1, 2008

Launched in 1962, RIMS Annual Conference & Exhibition attracts upwards of 10,000 risk and insurance professionals of all levels, business executives with risk management interests, brokers, insurers and service providers for the ultimate educational and networking experience. The five-day event offers more than 130 educational sessions, keynote presentations, special events and an expansive Exhibit Hall. After San Diego in 2008, the event will be hosted in Orlando in 2009 and Boston in 2010

RIMS Risk Leadership Keynote Luncheon features Lauralee Martin, CFO and COO of Jones Lang LaSalle Incorporated, who will discuss risk management from the C-suite perspective of a leading global real estate and investment management firm with 160 offices worldwide, operating in more than 450 cities and more than 50 countries, and employs some 30,300 people globally. Martin will also explore managing risk as it pertains to profitability and operational cost, and examine the implications of S&Ps risk-based standards on a public entity. Previously announced keynote speakers include Christopher Gardner, the man behind the book and film, "The Pursuit of Happyness", to share his "rags to riches" story; and author Gert Cruywagen in a fascinating and amusing address on a breakout risk management approach that is based on risk management strategies used by animals in the African jungle.

RIMS Awards Luncheon, honoring the risk profession's leading movers and shakers, features the doo-wop vocal group The Coasters who will entertain participants with old favorites such as "Yakety Yak" and "Love Potion No. 9". For a Wednesday evening entertainment spectacular, RIMS presents "Cirque Dreams"—a musical adventure that highlights mystery and suspense, and combines comedy and dance with acrobatic feats on stage. Due to the overwhelming success of last year's event, RIMS will once again hold a Community Service Day

If you plan to attend, please let the us know and if you would like to be included at the Houston Chapter tables in the General Session

Please see our Chapter Website for additional information:

<http://www.rims.org/ChapterWebsite/RIMSChapter.cfm?CWID=6652>

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



Attend the CPCU Society's Workshops in Houston

The 2007 Commercial General Liability Policy *The Latest Changes!*

7:30 a.m. – 11:35 p.m.

Hidden Coverages *Surprises in Court!*

1 – 5 p.m.

When

Tuesday, April 15, 2008

Where

The Briar Club
2603 Timmons Street (Corner of Westheimer)
Houston, TX 77027
(713) 622-3667

Cost

CPCU Society members: \$89 for one workshop/\$178 for both workshops

Nonmembers: \$109 for one workshop/\$218 for both workshops

The registration fee includes one CE certificate per workshop, all handout material, and refreshments.

Luncheon Information

11:35 a.m. Luncheon

Chapter members—no charge

Nonmembers—\$15 payable at door

If you are planning to attend the luncheon, please RSVP to Karen Deran, CPCU, or at (713) 622-2330.

Continuing Education Credits (TDI Provider #41)

Each program has been filed for four (4) Continuing Education credits in Texas.

Continuing Professional Development Program for CPCUs

CPCUs will be awarded four (4) continuing professional development (CPD) points for each workshop they attend.

Please see attached information on registration

Business Continuity/ Disaster Planning and Management (BC) A RIMS Fellow Workshop

May 29-30, 2008 - Houston, Texas

Does your organization have an effective business continuity plan? Join us and learn to help your organization prepare and deal effectively with a crisis and to recover from the event as soon as possible. Obtain the latest information on the subject. Leading business continuity expert Shanda Chronowich, Protiviti, Inc., will be facilitating this workshop.

For registration information, visit:

www.RIMS.org/bcm0508.

Additional RIMS Spring 2008 Professional Development Schedule

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

May 19-20 | Atlanta

El Proceso de Administración de Riesgos

May 19-20 | Miami

Fundamentals of Insurance

May 20-21 | New York

La Administración Integral de Riesgos (ERM)

May 21-22 | Miami

Enterprise Risk Management for the Advanced Practitioner*

May 21-22 | Chicago

Techniques of Risk Management

May 22-23 | New York

Enterprise Risk Management*

May 29-30 | San Francisco

Directors and Officers Liability and Insurance*

June 5-6 | Ottawa

Workers Compensation Management*

June 9-10 | Scottsdale

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

June 11-12 | Washington, D.C.

Strategic Risk Control*

June 12-13 | Philadelphia

Risk Analysis Tools for Effective Risk Management*

June 12-13 | Vancouver

Finance for the Risk Manager*

June 12-13 | New York

Claims Management*

June 16-17 | St. Louis

Enterprise Risk Management*

June 18-19 | Charleston

Executive Risk: E&O and Professional Liability*

June 19-20 | Toronto

Fundamentals of Insurance

June 24-25 | Denver

Techniques of Risk Management

June 26-27 | Denver

** Earns you credit towards the RIMS Fellow (RF) Designation*

“Year of Change in the Houston Chapter”

Topics of Interest and Information:

New degree program to be offered in Fall 2008 in Insurance and Risk Management at the University of Houston - Downtown

Staff Appreciation Day

Fall Conference Committees forming

Networking opportunities

Continuing Education Credits at many of the monthly meetings in 2008

Member Appreciation Evening Social

**May 15, 2008 at Champps Americana located at
1121 Uptown Park Blvd from 5:30pm – 7:30pm.
Watch your emails for the invitation to this event!**

Our new RIMS address is

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

Vendor Corner

Kelsey-Seybold Clinic: Now Certified to Provide Industry-Specific Physicals

Employee health and wellness takes on a whole new dimension when your employees work under difficult conditions – like orbiting the earth in the Space Shuttle and living on the International Space Station. For obvious reasons, the National Aeronautics and Space Administration (NASA) takes employee physicals seriously, and not just for the astronauts. NASA also employs thermo-chemical workers, flight controllers, SCUBA divers, landing and recovery crews and those testing equipment and training astronauts, all of whom must be in excellent physical shape to do their jobs.

Since 1966, Kelsey-Seybold Clinic physicians have been responsible for providing annual physical exams, emergency care and immunizations for NASA astronauts and support staff. The Kelsey-Seybold team also provides 24/7 monitoring of safety-related health issues for NASA staff. With experience like this, Kelsey-Seybold has substantial knowledge and expertise in the area of employee health and wellness, particularly for those working in hazardous or industrial conditions.

“Working with NASA employees requires that we be up to speed on all the latest medical knowledge about how the human body performs under extreme conditions,” says J. Xavier Castillo, M.D., a specialist in Occupational Medicine, who is certified to perform UKOOA and other industry-specific physicals. “Many of these lessons have other industrial applications. For example, workers on offshore oil rigs must also deal with issues of being isolated from medical care for long periods of time. Additionally, offshore and high-altitude environments share other similarities: fluctuating and extreme temperatures, massive structures with numerous stairways and ladders and motion sickness issues. It’s important to screen for hidden medical issues that could present an emergent problem, whether it’s in the Space station or the Gulf of Mexico.”

**Please contact Freddy Goerges at 713-442-0747 or
e-mail occupationalhealth@kelsey-seybold.com
for more information.**



Now, in addition to the normal company required physicals for industrial workers, Kelsey-Seybold is also certified to provide:

- **UKOOA (United Kingdom Offshore Oil Association) Physicals**
- **High Altitude Physicals**
- **Merchant Mariner Physicals**
- **Panamanian Seafarers Physicals**
- **Saudi Arabian Physicals**
- **Physical Examination of Commercial Drivers (ADCI)**

Welcome New/Renewed Members

Leigh Combs – Weingarten Realty Investors
Robert Harper – BHP Holding (USA) Inc.
Marty Kunz – Newpark Resources, Inc.
Joan Lynch – Metropolitan Transit Authority
Darla Mensik – Rowan Companies, Inc.
Trina Mouton – CenterPoint Energy
James Pearson – Friedkin Companies, Inc.
William Rice - Cardtronics
Dean Summers – Dynegey Inc.

Texas Job Postings

National RIMS Website

Houston Area:

Risk Manager
Manager , Risk Management and Insurance
Risk and Insurance Analyst – Downstream
Claims Analyst
Senior Risk Analyst
Risk Analyst

Dallas Area:

Risk Management and Insurance Specialist
Senior Account Specialist
Manager, Claims

San Antonio Area:

Risk Manager – Engineering
Risk Manager – Construction

Local Chapter RIMS Websites

Houston Area:

Assistant Risk Manager - Baton Rouge, LA
Associate Director – Claims
Analyst - Insurance and Risk Management
Claims Analyst

Austin Area:

Sales Representative
Property Program Manager – Underwriting
Assistant Director – Program Administration
Assistant Division Director – Risk Management
Developmental Marketing Underwriter

Dallas Area:

Risk Analyst

San Antonio Area:

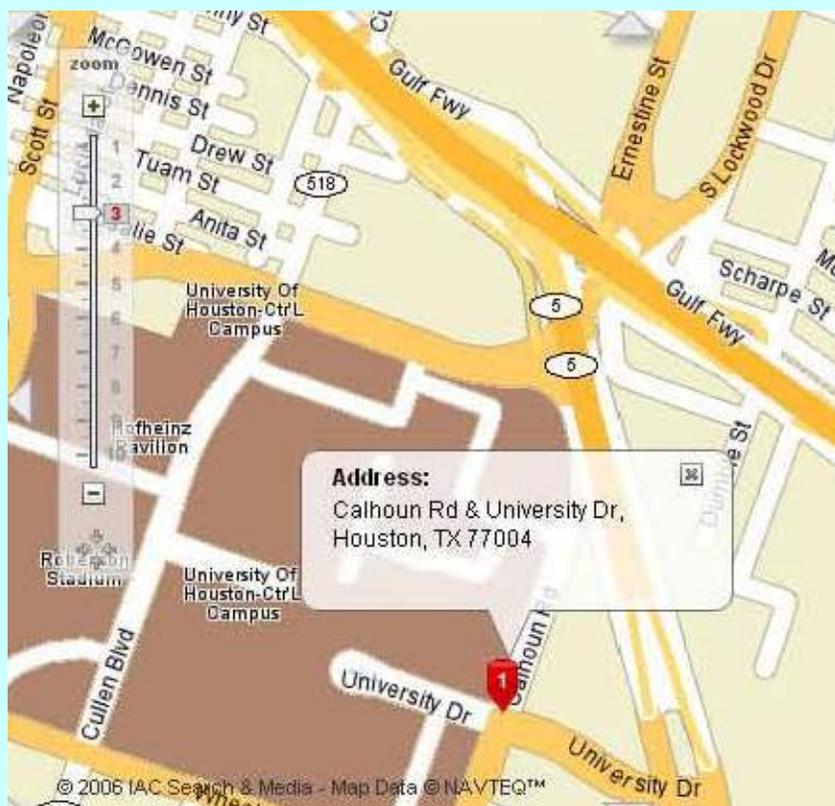
Enterprise Risk Analyst

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

April Luncheon Meeting Place:

The Hilton University of Houston
University Drive – Entrance One
Houston, Texas 77004
Phone (713) 743-2500

[Map to Meeting Location](#)



**Copy and paste the link below to go to the map
to find directions from your location to
The University of Houston,
Conrad Hilton Hotel**

<http://maps.ask.com/maps?l=lt%3D29.72604%7Clg%3D-95.3403%7Cal%3D0%7Cex%3D-2221590%7Ccy%3D-726011%7Czm%3D4%7Cvt%3D0~lt%3D29.71905%7Clg%3D-95.33891%7Cad%3DCalhoun%20Rd%20%26%20University%20Dr%2C%20Houston%2C%20TX%2077004%7Csd%3D0%7Cdm%3D0~#1>