



TEXAS LIFE & HEALTH
INSURANCE GUARANTY ASSOCIATION

BUSINESS CONTINUITY PLAN

November 2015 Revision

BUSINESS CONTINUITY PLAN

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I. PRIORITIES AND OBJECTIVES OF THE BUSINESS CONTINUITY PLAN

The Business Continuity Plan (“BCP”) for the Texas Life and Health Insurance Guaranty Association (“TLHIGA”) is designed to provide guidance for addressing events that disrupt the continuation of critical operations. This may include short or long term disruptions, such as fires, floods, earthquakes, tornadoes, explosions, terrorism, extended power interruptions, hazardous chemical spills, pandemic or other contagious diseases, and other natural or man-made events. These events may render the TLHIGA’s office facilities and systems inoperable or unusable or the TLHIGA’s staff unavailable, thus interfering with the TLHIGA’s ability to fully conduct or continue its operations.

The BCP has the following priorities and objectives:

- a) Ensuring the safety of its employees and visitors to its office facilities,
- b) Providing a documented plan with guidance for efficient, timely resumption of any interrupted services,
- c) Ensuring continuity of the TLHIGA’s ability to perform its fiduciary duties and fulfill statutory obligations,
- d) Minimizing any adverse effect on policyholders,
- e) Minimizing adverse impact on public confidence in the TLHIGA and the insurance industry,
- f) Protecting and preserving the TLHIGA’s resources and assets,
- g) Allowing for the resumption of services by persons stepping into operational roles due to an emergency,
- h) Minimizing confusion and duplication of effort,
- i) Facilitating the TLHIGA’s oversight of resumption of operations and provision of services, and
- j) Identifying sequential steps for restoration of interrupted operations.

II. SCOPE AND ASSUMPTIONS OF THE BUSINESS CONTINUITY PLAN

Although no BCP can visualize all contingencies, or address all possible combinations of adverse events that may occur, this BCP suggests courses of action that will help achieve the objectives stated above. The BCP includes strategies, actions and procedures to resume critical business and service operations and functions. It provides the names and addresses of vital personnel, the contents and location of files and documents, data on technological systems and equipment, and various emergency plans for communications, for evacuation and for preservation, replacement or recovery of TLHIGA assets. The information contained in the BCP is essential for the orderly

reconstruction of TLHIGA operations under a variety of circumstances, including unexpected loss or injury to personnel and damage to the TLHIGA's offices, equipment or services. A critical consideration in the development of the BCP was how to appropriately secure the BCP itself, since it contains sensitive information. In addition to the cautions and guidance provided in Section VIII, copies of the BCP will be stored in the TLHIGA's safety deposit box 3-1405 and with each Director serving on the Executive Committee of the Board of Directors.

The purpose of the TLHIGA's BCP is to consider the possibilities and probabilities of events, and then address in a deliberate manner what would be needed to respond. As with any plan, flexibility and common sense are required. Remedies should be tailored to events and the duration of their impact.

All TLHIGA personnel are expected to have a knowledge and understanding of the BCP. They should also understand that it is the policy of the TLHIGA that no individual should risk their, or any others', health or life in attempting to continue operations, or rescue or salvage equipment or property in the event of an emergency, disaster or other disruptive event.

Finally, physical and electronic information that is subject to the TLHIGA's or the National Organization of Life and Health Insurance Guaranty Association's ("NOLHGA") security or privacy procedures or policies must continue to be safeguarded in accordance with those procedures. This includes information in transit, in development, being stored or maintained with the BCP and will be essential to the full reconstruction of TLHIGA operations.

III. RECOGNITION, REPORTING AND EVALUATION OF DISRUPTION EVENT

The impact of a disruption event is directly affected by the duration of its effect and whether it is isolated, or has occurred in combination with one or more other events. Disruption events acting in combination may have a multiplier effect on the resultant disruption and its duration.

All TLHIGA personnel are charged with the responsibility of immediately reporting any disruption event to the designated principal party in the order shown below based on availability:

- Executive Director,
- Senior Accountant, or
- Office Manager.

Immediately following receipt of the notification, the designated principal party will conduct an evaluation of the disruption event to determine the following:

- Category of disruption event,
- Severity of disruption,

- Potential duration of the disruption, and
- Impact on operations.

Based on the designated principal party's determination of the category, severity, and the potential duration of each disruption event, that person will determine the necessity to convene the Recovery Team described in Section IV and implement the relevant portion(s) of Section V.

IV. RECOVERY TEAM

The Recovery Team will include Executive Director, the Senior Accountant and the Office Manager based on availability. One of these individuals serves as the designated principal party as described in Section III. The team members may also include the Chair of the Board of Directors, another representative from the Board of Directors, and possibly vendor(s) at the discretion of the designated principal party and based on the severity of the disruption event. The designated principal party will report progress and issues to the Board Chair, the Executive Committee, the full Board or the Texas Department of Insurance on a regular basis as determined by the Chair.

V. ACTION STEPS FOR DISRUPTION EVENTS

This section of the BCP will provide the procedural steps that may be taken in any of the following categories of disruption events: (a) loss of physical facilities, (b) loss of power, (c) loss of technology services, and (d) loss of human resources.

A. Physical Facilities

The designated principal party shall initiate necessary steps to ensure the safety of the office occupants, including giving notice to all persons in the premises, sounding alarms, alerting police, fire or rescue personnel and directing the evacuation of all or part of the premises and alerting building management. The attached Appendix I contains the emergency information provided by the management firm for the building where the TLHIGA's offices are located. This information is an excerpt from the emergency handbook provided by the building management and provides all contact information for building management, fire and power emergency contact information, evacuation procedures, and diagrams of building stairwells and exits. All TLHIGA personnel are provided with a full copy of the building management's emergency handbook.

Once all TLHIGA personnel are safely evacuated, the designated principal party will determine whether the disruption in the use of the TLHIGA's office will be short or

long term. If it is deemed to be a long-term displacement, the lists and replacement procedures detailed in Appendices C, D, E, and F will be used to reestablish the physical facilities.

In conjunction with the building management's annual evacuation drill, all TLHIGA staff will have a meeting specifically to discuss how emergency situations will be handled and any protocols that should be followed. The location of fire extinguishers and instruction in their use and elements of the building's evacuation plan will be reviewed.

B. Power

The designated principal party shall initiate the necessary steps similar to those used for a loss of physical facilities to ensure the safety of the office occupants, including giving notice to all persons in the premises. The designated principal party will then evaluate the extent of the power outage and projected duration of the event. Based on this evaluation, the designated principal party will initiate either a relocation of the entire TLHIGA office or the affected portion(s) to other areas in the office. During the transition and relocation, TLHIGA personnel may need to use their remote access to conduct work from their homes.

C. Technology

The designated principal party will evaluate any loss of technological equipment, products or services to determine whether the loss is permanent or temporary and if the lost technological capabilities are essential to continued operations. If the lost technology capability must be repaired or replaced, Appendices C and D can be used to identify the specific details of the lost technology and contact the necessary vendors to initiate repair or replacement.

In addition, Appendix G is the TLHIGA's Technology Plan that provides details of all the technological tools that have been incorporated into TLHIGA operations and the process to continually monitor and periodically evaluate the capabilities of these systems to perform optimally.

D. Human Resources

The TLHIGA has five full-time personnel positions that conduct daily operations: Executive Director, Senior Accountant, Office Manager, Staff Accountant, and Administrative Assistant. A job description for each of these positions is included in Appendix P. In the event any of the individuals in these positions, with the exception of the Executive Director, are unable to perform the responsibilities of their position

as a result of resignation or incapacitation due to injury, illness or death, the Executive Director will evaluate whether the position should be filled or combined with another existing position. This evaluation should incorporate anticipated activity levels and appropriate segregation of duties to assure internal controls are maintained.

In the event the Executive Director is unable to perform the duties of his/her position due to a short-term, long-term or permanent planned or unplanned absence (i.e. resignation, retirement or incapacitation due to injury, illness or death), Appendix Q provides a succession plan detailing possible steps for the Board of Directors to follow for continued interim management of the TLHIGA operations and retention of a permanent replacement, if necessary.

E. Legal Counsel

The TLHIGA engages two legal counsel. One serves as general counsel to the TLHIGA and provides legal advice and opinions related to the daily insolvency activities and litigation management. The other serves as counsel to the Board of Directors and provides legal advice and opinions related to corporate governance and operational and fiduciary obligations specific to the Board of Directors. If either of the engagements for these counsel should not be continued, the TLHIGA would conduct a Request for Proposals to identify new counsel. As an interim measure, counsel used by another guaranty association could be engaged temporarily to ensure familiarity with issues unique to guaranty association operations.

VI. PERIODIC REVIEW OF THE BCP

The BCP should be reviewed annually to assess the necessity for revision. Any revisions will be distributed as necessary. All persons assigned to perform specific tasks under the BCP need to review their assignments, including any team assignments. Contact information needs to be verified for all personnel, vendors, and service providers. Compliance with this review requirement and any revisions to the BCP shall be reported to the Board of Directors during its first meeting of each calendar year.

VII. PERIODIC TESTING OF THE BCP

A “mock disruption event” will be instituted at least annually by the Executive Director to ensure the ability of the BCP to facilitate the resumption of the TLHIGA’s operations in the event of a disruption event. All aspects of the specific portions of the BCP necessary to respond to the mock disruption event will be tested to identify any shortcomings that must be reevaluated for

potential modification. All personnel will participate in a discussion of the results of the mock disruption event.

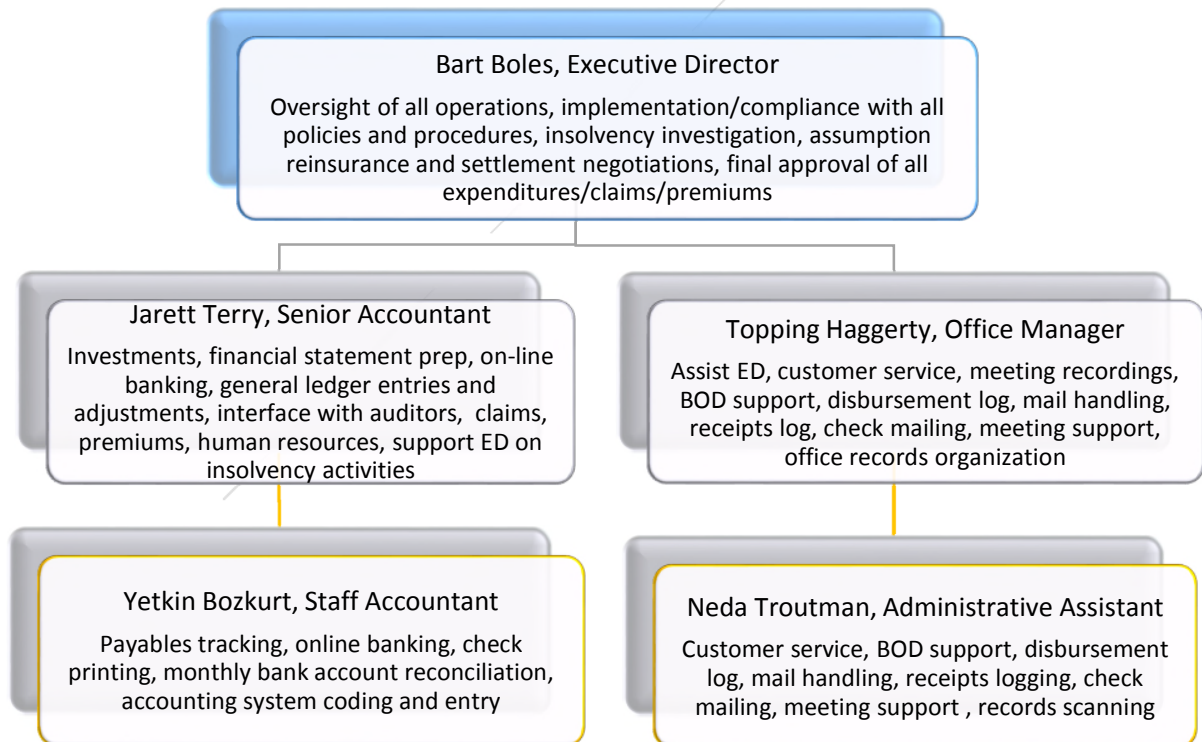
The mock disruption event will be spontaneous and confidential from all personnel prior to the initiation of the test and conducted without creating unnecessary risks to the participants.

VIII. CAUTION REGARDING BCP DISTRIBUTION AND AVAILABILITY

The BCP should be treated as confidential and proprietary since it contains sensitive information that must be available only on a need to know basis. Copies of the BCP will be stored in the TLHIGA's safety deposit box 3-1405 at 221 W. 6th Street, Austin, TX 78701, with each employee, with each Director serving on the Executive Committee of the Board of Directors, and with both the counsel to the Board of Directors and the general counsel for daily TLHIGA activities.

APPENDIX A - TLHIGA CONTACT INFORMATION AND ORGANIZATION CHART

NAME	POSITION	PHONE NUMBERS
Bart A. Boles	Executive Director	Home 512.288.6799 Mobile 512.608.7307
Jarett Terry	Senior Accountant	Home 512.252.9378 Mobile 512.784.7266
Topping Haggerty	Office Manager	Home 512.497.1617 Mobile 917.297.7673
Yetkin Bozkurt	Staff Accountant	Mobile 210.287.9791
Neda Troutman	Administrative Assistant	Mobile 512.751.2033



APPENDIX B - ROSTERS OF TLHGA
BOARD OF DIRECTORS AND COMMITTEES

CHAIR (since 01/20/15)

James G. Lewis	Phone: 972-699-2710	Appointed: 09/26/2008
President & CEO	Fax: 972-699-2783	Term Ends: 09/30/2019
Central Security Life Insurance Company	Email: jlewis@cslic.com	
2175 N. Glenville Dr.		
Richardson, TX 75082		

VICE-CHAIR (since 01/14/14)

James M. Harrison	Phone: 515-362-0613	Appointed: 07/11/2007
Counsel, Government Relations	Fax: 515-248-8469	Term Ends: 09/30/2015
Principal Financial Group	Email: harrison.jim@principal.com	
711 High Street	Assistant: Blyth Lacina	
Des Moines, IA 50392-0220	Email: lacina.blyth@principal.com	

SECRETARY (since 11/05/13)

James E. Huckaby	Phone: 972-882-7333	Appointed: 01/10/13
Administrative Officer -	Fax: 972-882-5404	Term Ends: 09/30/17
Operations/Risk Management	E-Mail: JHuckaby@mesquiteisd.org	
Mesquite Independent School District		
405 E. Davis		
Mesquite, TX 75149		
(Public Representative)		

TREASURER (VACANT)

Dean Frigo	Phone: 806-690-2782 (cell)	Appointed: 05/25/2007
Retired City Government Executive	Email: deanfrigo@gmail.com	Term Ends: 09/30/2019
3413 Amherst Drive		
Amarillo, TX 79109		
(Public Representative)		

Ted Kennedy	Phone: 713-831-4987	Appointed: 02/02/2015
American International Group, Inc.	Fax:	Term Ends: 09/30/2017
Deputy Head	Email: ted.kennedy@valic.com	
2929 Allen Parkway, L3-20		
Houston, TX 77019		

David E. Kester

Director Human Resources
- Risk Management
Harris County, Texas
1310 Prairie Street, 4th Floor
Houston, TX 77002-2020
(Public Representative)

Phone: 713-755-5586
Fax: 713-755-4409
Email: dkester22@gmail.com
Assistant: Tina Maltos

Appointed: 03/02/2010
Term Ends: 09/30/2015
resignation as of 12/31/15

Barrie B. Stokes

Senior Vice President and
Senior Associate Counsel
Protective Life Insurance Company
2801 Highway 280 South
Birmingham, AL 35223

Phone: 205-268-3583
Fax: 205-368-5516
Email: barrie.stokes@protective.com
Assistant: Martha Thomas
Email: martha.thomas@protective.com

Appointed: 02/04/2014
Term Ends: 09/30/2017

VACANCY

(Small Company Representative)

VACANCY

(Public Representative)

TLHIGA Standing Committees (with appointment dates)**Executive Committee**

James Lewis, Chair (01/20/2015)
James Huckaby, Secretary (11/5/2013)
James Harrison, Vice Chair (01/14/2014)
VACANT, Treasurer

Audit Committee

Dean Frigo, Chair (Chair 01/25/2011)
James Lewis (01/19/2010)
James Huckaby (01/14/2014)

Assessment/Investment Committee

James M. Harrison, Chair (01/24/2007)
Dean Frigo (11/05/2013)
VACANT

Personnel Committee

David Kester, Chair (Chair 01/14/2014, 01/25/2011)
James E. Huckaby (01/15/2013)
Barrie Stokes (01/20/2015)

APPENDIX C – CRITICAL PROCESSES AND RESUMPTION TIMELINES

The following identifies critical processes within functional activities and the maximum number of business days for resumption of the process after a business disruption event.

Accounting

Month-end closing	30 days
Bank account reconciliations	30 days
Check, wire and ACH disbursements	15 days
Assessments	60 days
Receipts	15 days
Investments	30 days
Financial statement preparation	30 days
Budget preparation and analysis	as needed
1099 preparation and distribution	as needed
Form 990 preparation and review	as needed
Form 5500 review and submission	as needed
Form 720 preparation and submission	as needed
Board of Directors and Committees support	as needed
Annual financial audit	as needed
Maintain accounting records	60 days

Insolvency Management

Process claims	15 days
Pay claims	15 days
Policyholder or provider calls	5 days
Complaint resolution	10 days
Maintain claim records	60 days
Proofs of claims and updates	90 days

Information Systems

Internet Connectivity	5 days
Phone Systems	5 days
Backup of critical data	5 days
Website	10 days

Customer Service/Personnel

Process Mail	5 days
Employee Payroll & time records	10 days
401(k) administration	10 days
HRA administration	10 days
Employee reimbursements	10 days

APPENDIX D - VENDORS AND OTHER CONTACT INFORMATION

VENDOR NAME	CONTACT NAME	CONTACT INFORMATION	DESCRIPTION OF SERVICES
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OFFICE FACILITIES

Stream Realty	Haleigh Nichols	515 Congress Ave Suite 2240 Austin, TX 78701 Phone 512.478.6100 Fax 512.499.8285	Management Company for building with TLHIGA offices
Tower Commercial	William D. Gump	Tower Commercial, Inc. 2720 Bee Cave Road Austin, Texas 78746 Office 512.582.0150 Mobile 512.970.6066 bgump@tower-commercial.com	Commercial Broker
Evolve	Harrison Faulker	807 Brazos St. Suite 101 Austin, TX 78701 Phone 512.320.7070 ext. 145	Internet, VoIP, and Telephony Equipment
Premier Parking	Christina Murray	512-536-1145 christinamurray@premierparking.com	Parking garage entrance cards & validation stamp
Watkins Insurance Group	Jim Sammons	3834 Spicewood Springs Rd #100 Austin, TX 78759 Phone 512-452-8877 jsammons@watkinsinsurancegroup.com	Commercial insurance
Robert Half	Roxie McLerran	10801 N MoPac Expressway Bldg 2 Ste 220 Austin, TX 78759 Phone 512-457-1175 roxie.mclerran@roberthalf.com	Accounting and financial temporary to permanent personnel

TECHNOLOGY EQUIPMENT, PRODUCTS, AND SERVICES

GCS	Daryl Gleinser	8701 N. Mopac Suite 155 Austin TX 78759 Phone 512.681.6491 Mobile 512.567.6738 dgleinser@gcsaustin.com	IT and Network Services
Austin Printer Repair	Martin Estrada	512-698-7601	Printer repair service (not for copy machine)
Pitney Bowes	N/A	800-522-0020	Postage Machine rental and service. Account # 19223508862
Public Storage	N/A	512-236-8302	Offsite document storage. Unit #2053
Kirbo's Office Systems	Josh Morgan Ronnie Strawn	254-526-6182 (office) jmorgan@kirbos.com rstrawn@kirbos.com	Copy machine purchase and service – Equipment ID # – service
Vertafore	Chris Jansen	Phone 800-444-4813 Direct 678-362-4316	ImageRight scan system provider
Express Information Systems	Casey Calame	Phone 512-345-1095 Cell 512-925-7016 caseyc@expressinfo.com www.expressinfo.com	Accounting software vendor and support
JP Morgan Chase Bank	Liza Ramirez or Craig Fegley	221 W 6th Street Austin, TX 78701 www.chase.com Liza: 512-479-2283 liza.x.ramirez@chase.com Craig: 512-479-2695 craig.fegley@chase.com	Commercial and online banking
401(k) Advisors	Allison Kaylor Flink or Ryan Williams	Allison: Cell-512-293-5317 Allison@401kadvisors.com www.401kAdvisors.com Ryan: Phone-800-959-0071 Cell-512-695-9193 ryan.williams@nfp.com www.nfp.com	Retirement plan advisors
AXA Equitable	Eileen Henry	PO Box 55450 Boston MA 02205-5450 Phone-800-528-0204 Ehenry@dstrs.com	401(k) Plan Third Party Administrator
JP Morgan Securities	Ellen Chan	383 Madison Ave, Floor 3 New York, NY 10179-0001 Phone-302-552-0029 ellen.i.chan@jpmorgan.com	Securities broker and JP Morgan Markets online service

Morgan Stanley	Thomas Bray	301 Congress Ave, Suite 1400 Austin, TX 78701 Phone-512-370-0457 Thomas.D.Bray@morganstanley.com www.morganstanley.com	Securities broker and Morgan Stanley online service
CliftonLarsonAllen	Jerry McMillon	5001 Spring Valley Road, Suite 600W Dallas, TX 75244 Phone-972-383-5763 Cell-806-674-8520 Jerry.McMillon@claconnect.com www.CLAconnect.com	Current financial auditors
Benefits 360, LLC	Debra Spellings	407 West Main St, Suite 100 Round Rock, TX 78664 Phone-512-502-0980 Debra_Spellings@ajg.com	Employee insurance and benefits
Zak & Associates	Michael Zak	8076 South Vance Court Littleton, CO 80128 Phone-303-931-4115 michael@zak.us	Assessment system
Paychex	Darian White	12450 Network Blvd, Suite 200 San Antonio, TX 78249 Phone-210-694-6570 dwhite1@paychex.com www.paychex.com	Payroll and payroll reporting Account 0071-8436
Matsock Insurance and Financial Services	Rose Couch	1750 North Washington St, Suite 128 Naperville, IL 60563 Phone 630-505-7888 rcouch@matsock.net www.matsock.net	Board of Director's D&O Coverage
1099 Express	N/A	DBA: NetSoft Marketing 209 Louisiana Ave Corpus Christi, TX 78404 Phone-361-884-1500 Support@1099Express.com	1099 software Customer Id 14692575
Verizon	N/A	PO Box 5029 Wallingford, CT 06492 Phone-800-922-0204 www.vzw.com	Mobile phone and wireless hub Account 620688686- 00001
Intacct	N/A	PO Box 351060New Braunfels, TX 78135https://intacct.dsa- direct.com/855-892-2010	Check Supplies
JoAnn Howard & Associates	Jo Ann Howard	260 Addie Roy Road Suite 150 Austin, TX 78746 Phone-512-328-8444 Fax-512-329-6612	Special Deputy Receiver and Third Party Administrator for the Memorial Service and Lincoln Memorial Life Insurance Companies

NOLHGA	Paul Peterson	13873 Park Center Road Suite 329 Herndon, VA 20171 Phone-703-787-4119 Fax-703-481-5209 ppeterson@nolhga.com www.nolhga.com	Coordinating organization for multi-state insolvency matters
Texas Department of Insurance	John Alexander or Doug Slape or Marisol Saenz	PO Box 149104 Austin, TX 78714-9104 www.tdi.texas.gov John Alexander: 512-676-6418, John.Alexander@tdi.texas.gov Doug Slape: 512-676-6416, Doug.Slape@tdi.texas.gov Marisol Saenz: 512-676-6561, Marisol.Saenz@tsi.texas.gov	Insurance regulator in the State of Texas and supervises TLHIGA through appointment of TLHIGA Board of Directors

FURNITURE

National Business Furniture	N/A	800-558-1010	Office furniture. www.nbf.com
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SUPPLIES

AusTex Printing	Becky Harper	512-476-7581 becky.harper@austex.com	Annual report, business cards, and letter head printing
B & D Binder and Index	Heather Bridges	512-476-2833 heather@bdbinderindex.com	Provides numbered dividers tabs for Board and Committee information book binding
CFS Binding Supplies	N/A	888-237-3221 cfsprod.com	Front and back covers and coils for book binding machine.
Staples	Ann Marie Horvath	734-452-4657	Office supplies 877-826-7755. Online ordering www.stapleslink.com Cust ID 1592069DAL
iStockPhoto	N/A	Istockphoto.com	Photography and images used for TLHIGA publications

OTHER

AM Best	N/A	800-424-2378	Best's Insurance Reports (yearly book), Best Week Newsletter, Best's Journal, Best's Review Magazine
Austin Architectural Graphics	N/A	512-473-2075	Interior lobby sign and office signs
Baetz Law	Shelby Baetz	Phone 713-659-4101 Fax 713-659-4105 shelbybaetz@baetzlaw.com	Counsel for the Board of Directors
Balcones Shred	N/A	512-744-4999	Document shredding service
Courier Depot	N/A	(512) 892-1876	Local courier service. Account # 160
Design Scapes	Karen Thorwaldson	512-698-8580	Plant maintenance
Federal Express	N/A	800-448-9961	Overnight shipping service: Account # 1596-4795-1
Infinite Teleconference Systems	Oliver Gohring	973-671-0005	Conference call service. Dial-in # 877-594-8353
Law Office of Jacqueline Rixen	Jackie Rixen	Phone 512-474-1577 ext. 1 Fax 512-474-1026 jrixen@rixenlaw.com	General Counsel for the TLHIGA
MegaMeeting	N/A	https://pro.megameeting.com	Video conferencing.
Office Team (for Admin)	Kelly Hays-Allen	512-457-8096	Temporary staffing for administrative positions
Texas Secretary of State	Texas Register	512-463-5561 register@sos.texas.gov	Online posting of TLHIGA in regards to Opening Meetings Act

APPENDIX E - LIST OF TECHNOLOGICAL EQUIPMENT AND SOFTWARE

EQUIPMENT

MODEL	SERIAL NUMBER	DESCRIPTION	VENDOR	QUANTITY
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Boardroom

Vizio 57 in	N/A	Television	Any Vendor	1
Microsoft LifeCam Studio 1080p HD	N/A	Webcam	Any Vendor	1
Logitech QuickCam Communicate Deluxe	N/A	Webcam (not in use)	Any Vendor	1
Logitech QuickCam Pro 9000	N/A	Webcam (not in use)	Any Vendor	1
Shure MX395 W/O low profile boundary microphones	N/A	Ceiling surface mount, white omnidirectional microphones, No LED*3-PIN XLR	Any Vendor	2
Blue Snowflake Portable Microphone	N/A	Portable USB Microphone	Any Vendor	1
Behringer Xenyx 1204 USB	N/A	Mixing board	Any Vendor	1
Sony RCD-W500C	N/A	CD Recorder	Any Vendor	1
IOgear Wireless HD Digital Kit	OU41USZ310026 1	Wireless HD audio/video streaming kit	Any Vendor	1
EdgeStar Mini	N/A	Refrigerator	Any Vendor	1
Epson LCD H477A	REZF290308L	Projector	Any Vendor	1

Conference Room

Dell Optiplex 740	00144-020-105-109	Desktop computer	GCS Technologies	1
APC 450	NA	Battery backup	www.apc.com	1

Reception Area

ASUS Dual Band 802.11 AC Gigabit	NA	Wireless Router	Staples	1
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Hallway

HP Laserjet 600 M603	CNBCC9V1J5	Printer	Any Vendor	1
HP Color Laserjet 3600N	CNWBC19839	Printer	Any Vendor	1
Fellowes S8-89Ci		Shredder	Any Vendor	1

Work Room

HP Laserjet 4000N	CNBX112156	Printer	Staples	1
Pitney Bowes 3C00/4C00/6C00	3181408	Leased postage machine	Pitney Bowes	1
Canon ImageRunner Advance C5250		Pruchased copy machine	Kirbo's Office Systems	1

Server Room

Dell Optiplex 740	00144-019-807-062	Desktop Computer (not in use)	GCS Technologies	1
Dell Optiplex 740	00144-020-105-190	Desktop Computer (not in use)	GCS Technologies	1
Dell Optiplex 740	00144-020-105-158	Desktop Computer (not in use)	GCS Technologies	1
Dell Optiplex 740	00188-070-738-500	Desktop Computer (not in use)	GCS Technologies	1
HP Proliant ML350P Gen 8	CAS-1575561-HOP156	Virtual Server (5) 8GB DIMMS 240 pin 1600 Mhz, (6) 600 GB 10K SAS 6 GB/10000 rpm, 2.5 in HDDs, 460 W Power Supply, Windows Server 2012 Standard, VMWare cSphere 5.0 Essentials Kit	GCS Technologies	1
Dell PowerEdge R320 Server	9WXX842	RAID 1: 500 GB SATA 3.5" hot swap HD, redundant power supplies 450 watt	GCS Technologies	1

HP Proliant ML350	MXQ90301RZ	Great Plains Server (archive use only)	GCS Technologies	1
HP Proliant ML350	MXQ90301S7	SBS Server (not in use)	GCS Technologies	1
Dell PowerEdge R320	02524-000-425-946	Server	GCS Technologies	1
Buffalo Terastation Pro Quad WSS USQV8.DTL\R5	95835720700022	NAS - Network Storage Device; 8 TB (4 x 2 TB); RJ-45; Intel Atom 1.66 GHz; installed 5/2013	GCS Technologies	1
APC Smart UPS 1500	AS0845273082	Battery Backup	www.apc.com	1
APC Smart UPS 1500	AS0922221210	Battery Backup	www.apc.com	1
Dell SONICWall Model NSA 250 M	COEAE40C1CA0	Firewall	GCS Technologies	1
Cisco ASA 5505	JMX1433Z0X5	Firewall	GCS Technologies	1
Dell PowerEdge 2600	N/A	Server (not in use)	GCS Technologies	1
HP Server Rack	N/A	Server Rack	GCS Technologies	1
Audio 2000 S	N/a	Confidence Monitor Stand	Any Vendor	1
Samsung 25in LCD	Z4W8HCLD90192 6X	Monitor	Staples	1
Samsung 27in Widescreen	NA	Monitor	Staples	1
Pelican 1630 Case	N/A	Equipment Shipping Case	Any Vendor	1

Office 1 (Executive Director)

Cannon Pixma MX 922 Wireless		Printer	Staples	1
Logitech MX5500	NA	Wireless Keyboard and Mouse	Staples	1
Viewsonic VA2246 M LED	TSP140303306 TSP140103092	Monitor – 22 inch widescreen	Staples	2
HP Color Laserjet 2605dn	CNG7194L2	Printer	Staples	1
APC Pro 1300	NA	Battery Backup	www.apc.com	1
Vizio 27in LED	LTTXMTAN1304	Television	Costco	1
Dell Optiplex 7010 Minitower (TXGA-3)	00188-030-919-877	Desktop Computer TXGA-1; Windows 10 Pro; Microsoft Office Pro 2013; 64-bit; 3 rd Gen Intel Core i5-3570 processor; 6 Gb RAM; 500 GB HD; 16xDVD ROM; 16GB Radeon HD	GCS Technologies	1

		7570; w/ VGA; installed 3/2014		
Apple 13in Macbook Pro	CO2NT1663GQT	Laptop Computer,	MacMall	1

Office 2 (Office Manager)

Dell Optiplex 7010 Minitower	00188-030-919-877	Desktop Computer TXGA-2; Windows 7 Ultimate; Microsoft Office Pro 2013; 64-bit; 3 rd Gen Intel Core i5-3570 processor; 6 Gb RAM; 500 GB HD; 16xDVD ROM; 16GB Radeon HD 7570; w/ VGA; installed 3/2014	GCS Technologies	1
Cannon Pixma	ACK531635	Printer	Staples	1
Plantronics	NA	Wireless Headset	Staples	1
Samsung 21in LCD	NA	Monitor	Staples	2
Logitech MX5500	NA	Wireless Keyboard and Mouse	Staples	1
Fujitsu FI-5530C2	008870	Scanner	Any Vendor	1
APC ES 750	NA	Battery Backup	www.apc.com	1
Apple 13in Macbook Pro	CO22HO93FGM8	Laptop Computer	GCS Technologies	1

Office 3 (Administrative Assistant)

Plantronics	NA	Wireless Headset	Staples	1
Dell Optiplex 7010 Minitower	00188-030-919-877	Desktop Computer TXGA-2; Windows 7 Ultimate; Microsoft Office Pro 2013; 64-bit; 3 rd Gen IntelCore i5-3570 processor; 6 Gb RAM; 500 GB HD; 16xDVD ROM; 16GB Radeon HD 7570; w/ VGA; installed 3/2014	GCS Technologies	1
Samsung 21in LCD	NA	Monitor	Staples	2
Logitech K350 Wave	NA	Wireless Keyboard and Mouse	Staples	1
Kodak i2800	51008537	Scanner	Any Vendor	1
Cannon Pixma Mp 640 Wireless	ABRV36329	Printer	Staples	1
APC 450	NA	Battery Backup	www.apc.com	1

Office 4 (Scan Office)

Dell Optiplex 7010	00188-030-762-070	Desktop Computer TXGA-4; Windows 7 Ultimate; Microsoft Office Pro 2013; 64-bit; 3 rd Gen IntelCore i5-3570 processor; 6 Gb RAM; 500 GB HD; 16xDVD ROM; 16GB Radeon HD 7570; w/ VGA; installed 3/2014	GCS Technologies	1
Fujitsu fi-6670	004776	Flat Bed Scanner	Any Vendor	1
Hewlett Packard 24in Widescreen	NA	HO V242h monitor	Tiger Direct	2
Logitech MX5500	NA	Wireless Keyboard and Mouse	Staples	1
APC 450	NA	Battery Backup	www.apc.com	1

Office 5 (Staff Accountant)

Dell Optiplex 7010 Minitower	00188-030-919-877	Desktop Computer Tel-WS1; Windows 7 Ultimate; Microsoft Office Pro 2013; 64-bit; 3 rd Gen IntelCore i5-3570 processor; 6 Gb RAM; 500 GB HD; 16xDVD ROM; 16GB Radeon HD 7570; w/ VGA; installed 3/2014	GCS Technologies	1
Samsung 21in LCD	NA	Monitor	Staples	2
Logitech MK 700	NA	Wireless Keyboard and Mouse	Staples	1
APC ES 750	NA	Battery Backup	www.apc.com	1
HP Laserjet Pro Color M451dw	CNDF602657	Printer	Staples	1

Office 6 (Senior Accountant)

Dell Optiplex 7010 Minitower	00188-030-919-877	Desktop Computer TXGA1011; Windows 7 Ultimate; Microsoft Office Pro 2013; 64-bit; 3 rd Gen IntelCore i5-3570 processor; 6 Gb RAM; 500 GB HD; 16xDVD ROM; 16GB Radeon HD 7570; w/ VGA; installed 3/2014	GCS Technologies	1
Samsung 21in LCD	NA	Monitor	Staples	2

HP Officejet 6500A	CN14I2120YW	Printer	Staples	1
Logitech K350 Wave	NA	Wireless Keyboard and Mouse	Staples	1
APC ES 750	NA	Battery Backup	www.apc.com	1
Apple 13in Macbook Pro	CO2H5OPPDV16	Laptop Computer	GCS Technologies	1

SOFTWARE

NAME	VENDOR	DESCRIPTION	VERSION OR WEB ADDRESS	LOCATION
Intacct	Express Information Systems	SaaS - Current Accounting Software	https://www.intacct.com	Offices 1,2,5,6
Great Plains	Express Information Systems	Network – Former Accounting Software	10.00.1257	Offices 1,5,6
JP Morgan Access	JP Morgan Chase Bank	SaaS – Online Banking	https://access.jpmorgan.com	Offices 1,2,5,6
JP Morgan Markets	JP Morgan Securities	Online Securities	https://jpmcsso.jpmorgan.com	Office 6
Morgan Stanley Online	Morgan Stanley	SaaS – Online Securities	https://www.morganstanleyclient.serv.com/	Office 6
Paychex	Paychex	SaaS – Online Payroll	https://myapps.paychex.com	Offices 1,2,3,5,6
Nolhga.com	NOLHGA	SaaS – Online Training, Information, Claims Data and Proof of Claim Submissions	https://www.nolhga.com	Offices 1,2,3,5,6
LHIGA.com	Zak & Associates	SaaS – Online Assessment System	https://lhiga.com	Offices 1,6
BCBS	Blue Cross Blue Shield Texas	SaaS - Online Employee Health Insurance Administration	http://www.bcbstx.com	Office 6
Dental Select	Dental Select	SaaS – Online Employee Dental Insurance Administration	https://www.dentalselect.com/	Office 6
Sun Life Financial	Sun Life Financial	SaaS – Online Employee Term Life and LTD Insurance Administration	https://ebg.sunlife.com/	Office 6

1099 Express	NetSoft Marketing	SaaS – 1099 Reporting Software	http://www.1099express.com/	Office 6
Microsoft Office 2013	GCS Technologies	Database, Spreadsheet, Word Processing and Presentation	MS Office 2013	All Workstations
Microsoft Windows 7 Ultimate	GCS Technologies	Network – Operating System Software	MS Windows 7 Ultimate	All Workstations
AXA Equitable	AXA Equitable	SaaS – 401(k) Administration	https://retirementsolutions.financialtrans.com	Offices 1,6
PDF Converter Pro 8	Nuance	Network – PDF Software	PDF Converter Pro 8.1	Offices 2,6
FRX	Express Information Systems	Network - Financial Reporting Software	6.7.10343	Office 6
ImageRight	Vertafore	Network – Imaging Software	5.7.7.1678	Offices 1,2,3,4,5,6 and Server Room
OS X Lion	GCS Technologies	Network – Operating System Software – Apple Laptop	10.7.3	Office 6 Laptop
Adobe In Design	Tiger Direct	Network – Desktop Printing	CS 5.5	Office 2
OS X Yosemite	GCS Technologies	Network – Operating System Software – Apple Laptop	10.10.2	Offices 1,2 laptops
Audio Notes	Mac App Store	Network – Meeting Recording Software	NA	Offices 1,2
Adobe Reader	Adobe	Network – PDF Viewer	Current	Offices 3,4,5
Power PDF Advanced	Nuance	Network – PDF Software	Pro 8.1.1	Office 1
AM Best	AM Best	SaaS – Insurance Company Research	NA	Office 1 Laptop
PDF Connoisseur	Mac App Store	Network – PDF Creator and Editor	1.2.2	Office 1 Laptop
D Commander	Mac App Store	Network – File Management	2.5	Office 1 Laptop
1 Password	Mac App Store	Network – Password Manager	5.1	Office 1 Laptop
Adobe Photo Shop Editor	Mac App Store	Network – Photo Editor	10.0	Office 1 Laptop
Dropbox	Dropbox.com	SaaS – File Sharing	NA	Office 1 Laptop
Cord	Mac App Store	Network – Remote Desktop	0.5.7	Office 1 Laptop

Last Pass Premier	Mac App Store	Network – Password Manager	3.9	Office 1 Laptop
MS Office for Mac	GCS Technologies	Spreadsheet, Word Processing and Presentation	MacMall	Office 1,2,6 Laptops
Small Business Server	GCS Technologies	Network - Operating System		Server Room
MS Windows Server 2012	GCS Technologies	Network – Operating System	Windows Server 2012 R2	Server Room
VMware	GCS Technologies	Network – Virtual Server Software	vSphere 5.0 Essentials	Server Room

APPENDIX F - LISTING OF FURNITURE AND OTHER EQUIPMENT

The Listing of Furniture is grouped by office for ease in the identification of priority for replacement based on timing of need.

DESCRIPTION	QUANTITY
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Boardroom

Boat shaped conference table (20 feet long)	1
Leather conference room chairs with wheels	18
Mini-refrigerator	1
Cabinet with Dry Erase Board	1
Artwork	1
Live plant	1
Trash bins (2 – 7 Gallon, 1-13 Gallon)	3

Conference Room

Glass topped conference table (8 feet long)	1
Barrel reception chairs with wheels	7
Office chairs with wheels	2
High-backed reception chair	1
Credenza desk with hutch	1
Side table (2 feet x 2 feet)	1
Framed artwork	2
Live tree	1
Trash bins (7 Gallon)	2

Break Room

Round table (41 inches in width)	1
Kitchen stacking chairs	6
Refrigerator	1
Microwave	1
Toaster Oven	1
Keurig Machine	1
Trash bins (2 – 7 Gallon, 2-13 Gallon)	4

Work Room

File cabinets (for supplies storage – 5 shelves each)	4
Built in file cabinets (floor and wall attached)	10 drawers
Foot stool	1
Trash bins (2 – 7 Gallon)	2

Storage Room

Office chair with wheels	1
Industrial shelving units (5 shelves each)	2
Utility carts	3

Server Room

Industrial utility shelving (3 shelves)	1
Office chair with wheels	1

Hall Way Outside Offices

File cabinets with 4 shelves	5
File cabinets with 5 shelves	13
Fire proof file cabinet with 4 drawers	1
Credenza with filing drawers	3
Barrel reception chairs with wheels	4
Framed artwork	7
Faux tree	1
Trash bin (7 Gallon)	1

Office 1 (Executive Director)

Glass topped executive desk (75" x 42")	1
Credenza desk with hutch	1
Round table (41")	1
Barrel reception chairs with wheels	2
Office chair with wheels	1
Reception chair	1
Credenza with filing drawers	1

Double credenza with filing drawers	1
Side table with drawer	1
Small kidney shaped table with wheels	1
Live tree	1
Live plants	2
Trash bins (7 Gallon)	2

Office 2 (Office Manager)

U-shaped desk with hutch (Left return)	1
Office chair with wheels	1
Reception chair	1
Credenza with filing drawers	1
Trash bins (7 Gallon)	2

Office 3 (Administrative Assistant)

U-shaped desk with hutch (right return)	1
Office chair with wheels	1
Reception chair	1
Credenza with filing drawers	1
Framed art	2
Trash bins (7 Gallon)	2

Office 4 (Scan Office)

U-shaped desk with hutch (Left return)	1
Office chair with wheels	1
Barrel reception chairs with wheels	2
Faux plants	2
Framed artwork	1
Trash bins (7 Gallon)	2

Office 5 (Staff Accountant)

U-shaped desk with hutch (right return)	1
Office chair with wheels	1

Reception chair	1
Credenza with filing drawers	1
Trash bins (7 Gallon)	2

Office 6 (Senior Accountant)

Glass topped executive desk (73" x 37")	1
Credenza desk with hutch	1
Credenza desk	1
Office chair with wheels	1
Barrel reception chairs with wheels	2
Credenza with filing drawers	1
Double credenza with filing drawers	1
Trash bins (7 Gallon)	2

Coat Closet

Folding table with two wheels (54 inches long)	1
Folding table (72 inches long)	1
Little Giant MegaLite Ladder	1
Coil binding machine	1

Reception Area

Club chairs	4
Side tables (2 feet x 2 feet)	2
Coffee table (36 inches by 20 inches)	1
Credenza with hutch	1
Live trees	3
Live plant	4
Coat rack	2
Framed artwork	5

APPENDIX G - LISTING OF ESSENTIAL SUPPLIES

DESCRIPTION	REORDER QUANTITY
Batteries – AA	1 12-pack
Batteries – AAA	1 12-pack
Binder – 1 inch D-Ring	4
Binder – 2 inch D-Ring	4
Binder – 3 inch D-Ring	4
Binder – 4 inch D-Ring	4
Book binding – back covers blue 030206RBAA	2 100-pks
Book binding – Binder coils 12mm (1/2”) black	1 box (100 pcs)
Book binding – Binder coils 22mm (7/8”) black	1 box (100 pcs)
Book binding – front covers clear CC0070S-1006	2 100-pks
Booking binding – Binder coils 9mm (23/64”) black	1 box (100 pcs)
Business Cards for all employees	1 box each
Calculator	2
Calculator with printing function	3
CD-R Audio	25 pack
Clips – large sized binder clips	2 packs
Clips – large sized paper clips	2 packs
Clips – medium sized binder clips	2 pack
Clips – medium sized regular paper clips	2 pack
Clips – mini binder clips	2 pack
Clips – small binder clips	2 packs
Disinfectant wipes	1 3-pack
Envelopes – #10 pre-printed TLHIGA	2 boxes
Envelopes – #10 windowed pre-printed TLHIGA	2 boxes
Envelopes – Blank #10	1 box (500)
Envelopes – Blank #9	1 box (500)
Envelopes – Large manila pre-printed TLHIGA	1 box
File – Manila folders (letter size)	4 boxes
File – Pendaflex hanging folders (letter size)	3 boxes
File – Pendaflex redrope watershed top-tab expanding pockets 5 1/4 expansion	1 10-pack
File – Tabs for hanging folders 1/3 cut	5 packs
Labels - Avery file folder labels (#5366)	1 box
Labels - Avery mailing labels (#5160)	1 box
Labels – Large pre-printed TLHIGA	1 box
Paper – Adding machine rolls	1 12-pack

DESCRIPTION	REORDER QUANTITY
Paper – Copy paper (ledger size)	2 reams
Paper – Copy paper (Letter size)	10 reams
Paper – Notes pads	12 pack
Pencils – Mechanical	1 box of 12
Pens – Blue ink	2 boxes
Pens – Highlighter green	1 box of 12
Pens – Highlighter yellow	1 box of 12
Pens – Red ink	1 box of 12
Pens – Sharpie fine point black	1 box of 12
Post-It Notes 1.5 x 2 yellow	1 12-pack
Post-It Notes 3 x 3 yellow	2 12-packs
Post-It Notes 3 x 5 yellow	1 12-pack
Post-It Notes Pop-Up Notes 3 x 3 (any color other than yellow)	1 12-pack
Pressurized Duster	1 4-pack
Printer cartridges for all printers	2 sets for each
Purell Hand Sanitizer	5
Scissors	6
Stamp – custom received TLHIGA B Boles stamp	1
Stamp – custom received TLHIGA stamp	2
Stamp – Custom TLHIGA bank deposit stamp	1
Stamp – Shipped w/date stamp	2
Staple remover	5
Stapler – Heavy Duty 160 sheet capacity	1
Staplers	5
Staples	3 boxes
Staples for heavy duty staples 160 sheet capacity	1 box
Stationary – pre-printed TLHIGA	2 reams
Stationary – pre-printed TLHIGA w/Executive Director	2 reams
Stationary – TLHIGA second page blank	1 ream
Storage Boxes	1 10-pack
Tape – clear	1 10-pack
Tape dispensers	5
Three hole punch	2
Two hole punch	2

APPENDIX H - TECHNOLOGY PLAN

The coordinated integration of information technology systems into the operations of the Texas Life and Health Insurance Guaranty Association (“TLHIGA”) is a vital component to the fulfillment of its statutory obligation to provide protection to Texas insurance policyholders and contract owners when their insurance company is found to be insolvent and is ordered liquidated by a court. The incorporation of information technology permits these obligations to be performed accurately, timely, securely, efficiently and cost effectively. This technology plan has been developed to regularly evaluate, confirm and, if necessary, augment the information technology systems’ capabilities to fully perform this role.

Purpose and Objectives

The TLHIGA’s technology plan documents a process to (1) periodically review the adequacy and competency of information technology systems through a short-term focus to fulfilling a long-range mission and (2) provide for replacement of equipment, products, services and information should the TLHIGA incur a short-term or long-term business disruption event that impacts the TLHIGA’s technology. The technology plan will remain a “living” document that is assessed at least annually for potential revision since it encompasses technological products, services and, to a certain extent, threats that are constantly evolving.

The TLHIGA’s Technology Plan describes the process utilized to ensure the TLHIGA’s information technology systems continue to effectively perform as a valuable tool to support the following operational objectives:

- Timeliness in responding to consumer inquiries and providing the statutorily protected policy of benefits,
- Safeguarding non-public, personal information and sensitive health information used and maintained by the TLHIGA for current and future activities,
- Maintaining the efficiency afforded through the use of technology with limited human resources,
- Preserving permanent institutional governance records, and
- Ensuring continuation of operations in the event of short or long term business disruption events.

The TLHIGA’s information technology systems must be able to view, interpret, manipulate, transmit, store and retrieve the electronic data it obtains or produces during its activities involving insolvent insurance companies. This data may have been housed on different systems and in different formats by the insurance companies so the TLHIGA’s systems must have the

capabilities to perform all of these actions irrespective of the insolvent insurance companies' information technology systems. This requires the TLHIGA to maintain and utilize current versions of industry standard hardware and software.

[Plan for Each Technology Category](#)

The Technology Plan provides an approach for evaluating the adequacy of the following information technology categories of equipment, products and services to identify whether each should continue to be used without change, enhanced through updates, replaced with a newer version or entirely eliminated. The Technology Plan is discussed annually with the Board of Directors with a detailed rationale of the need for any significant hardware and/or software purchases and the costs of these items incorporated into the TLHIGA's Capital Expenditure Budget for the respective year. These significant purchases are always subject to the approval of the Board of Directors.

Current equipment, products and services, are grouped by the categories described below. A listing of the items in each of these categories, with appropriate identifying information and location description, is included in the TLHIGA's Business Continuity Plan and is entitled "Appendix D – List of Technology Equipment, Products and Services".

Network Hardware and Software – The TLHIGA maintains a local area network consisting of a virtual server, firewall, switch, router, individual workstations and laptops. The network server, router and switch are housed in a locked server rack in a combination locked server room with separate environmental controls. The network hardware and software performance is remotely monitored through the TLHIGA's IT and Network Vendor and any incidences during regular or after hours are immediately brought to the attention of the designated principal party. Annually, the Executive Director meets with the IT and Network Vendor to review the adequacy of the server and network hardware in relation to the TLHIGA's current and projected technological demands. The projected life of the network hardware before it is replaced is five years. The support and licensing agreements with the network developer and the IT and Network Vendor provide for monitoring and installing software update releases.

Workstation/Laptop Hardware and Software – Each TLHIGA staff member continually monitors the performance of their respective computer workstation or laptop for any error messages or issues of incompatibility or latency. Issues identified are communicated to the designated principal party who will then review them with the IT and Network Vendor at least annually to determine whether the workstations/laptops and software should be updated or replaced. The projected, useful life of the workstations/laptops is three to five years. All workstations are replaced at the same time rather than through rotating or random schedule so all employees are

using the same hardware models, operating system and software versions. When possible, the workstations/laptops replacement is timed to coincide with the release of a new operating system so the new workstations/laptops are shipped with the new operating system version, thus eliminating the software upgrade cost.

Printers and Copiers – The TLHIGA maintains a number of color and black and white laser printers that are networked and available for all staff to use. An additional black and white laser printer is locally connected to the workstation used by the Staff Accountant so check stock may be fully controlled while printing checks. All staff members have a printer locally connected to their workstations. The office copier serves as a color and black/white copier, printer, scanner and fax machine. The network access to all networked devices is controlled through user access privileges established by the IT and Network Vendor as directed by the Executive Director. Errors are communicated to the Executive Director who will annually evaluate the continued use or replacement of each device.

Imaging Hardware and Software – The TLHIGA staff also monitors any performance issues of the imaging equipment or software and reports the issues to the Office Manager who serves as the primary contact with the Imaging Vendor. A review is conducted annually with the Imaging Vendor by the Executive Director.

Backup – The TLHIGA performs a full backup of the data on its virtual server through a Cloud-based backup process with its IT and Network Vendor as described in Appendix L of the BCP. The backup process is continually monitored by the vendor. In addition, backups are tested annually to ensure the data can be retrieved timely and accurately in the event of a server or drive failure. Any failures in the process that are identified through the ongoing monitoring or the testing are immediately addressed. The Executive Director meets with the vendor annually to evaluate the necessity to expand the backup capacity or replace the backup device provided by the vendor.

SaaS Systems – The TLHIGA utilizes Software-as-a-Service (“SaaS”) application systems from a number of vendors. These vendors are specifically identified in Appendix C of the BCP. Annually, either TLHIGA staff or the IT and Network Vendor will review the end-to-end data transmission control features for each SaaS vendor to ensure data transmissions are confidential and complete. The TLHIGA annually verifies the versions of these systems being used and, if necessary, updates the versions through the maintenance and licensing agreements maintained with each vendor.

Security Software – The TLHIGA maintains virus and malware protection software that is automatically updated on all workstations and the server. All laptops are fully encrypted using the techniques provided by the manufacturer.

Internet Connectivity and Telephony – The TLHIGA’s telecom vendor provides both Internet connectivity and telephone service/equipment, including long distance, through a bundled package of a symmetrical Internet connection and voice over IP telephone service. Two analog phone lines are also provided to support the postage meter and the facsimile features of the copier. TLHIGA staff monitors the quality of their telephone service and the speed/reliability of the Internet connection. Any issues are reported to the Executive Director.

Remote Access – The TLHIGA staff has remote access connectivity to the TLHIGA’s virtual server through the features included with the firewall. This allows password restricted and user specific access to the network and their specific desktop computers from a remote location. All staff are instructed to only access the network or their workstations through an encrypted Internet connection requiring a secure password.

Website – The TLHIGA’s website is hosted on the servers of a vendor that is a leading provider for this service. The contents of the site are managed by the Office Manager. The vendor provides SSL certificate encryption and 24/7 security monitoring, that includes Distributed Denial of Service (“DDoS”), ongoing vulnerability scanning, malware scanning, file change monitoring and search engine blacklist monitoring and security alerts. The Executive Director monitors the performance of the website and adjusts the services provided by the vendor when necessary.

Audio Recording – The TLHIGA operates in accordance with the Texas Open Meetings Act that includes the requirement that audio recordings must be created of all Board of Directors and Committee meetings. The TLHIGA maintains audio recording equipment and software to fulfill these responsibilities. TLHIGA staff monitors the quality of the recordings quarterly and the Executive Director annually evaluates whether the equipment or software should be upgraded or replaced.

Access and Controls for Users – The Executive Director instructs the IT and Network Vendor to establish the rights and privileges provided to each network user based on the TLHIGA’s internal control and security guidelines and/or policies. The IT and Network Vendor maintains documentation of these specific rights and privileges. Staff performs their daily tasks using a username that restricts administrative authority at the workstation level. The Senior Accountant and Executive Director each have separate user accounts that provide administrative and domain control authority that is used only when necessary. The IT and Network Vendor has been assigned user accounts for each of their technicians that access on the TLHIGA’s systems. The Executive Director meets with the IT and Network Vendor annually to evaluate whether adjustments to user account rights and privileges are warranted.

Technology Vendors – The TLHIGA engages a number of technology vendors that provide products, services and expertise. All vendors are required to adhere to the TLHIGA Privacy Policy, Conflicts of Interest and Business Policy and Antitrust Compliance Policy, as well as the National Organization of Life and Health Insurance Guaranty Association Members Participation Council Security Policy. These vendors are specifically identified in Appendix C of the BCP.

Training and Professional Development – The TLHIGA encourages staff to identify outside technological training opportunities that will benefit the performance of their duties. The annual Operating Budget includes funding for this training. In addition, all staff is required to complete the privacy and security training through the National Organization of Life and Health Insurance Guaranty Associations. Each year, the Executive Director and Senior Accountant attend multiple conferences and workshops that include technological components. Information obtained through these events is shared with all TLHIGA staff.

[Incident Identification, Reporting and Evaluation Process](#)

TLHIGA staff should accumulate all issues, error messages and concerns identified during the conduct of their normal activities and report them to the Office Manager when practical. If a matter is identified that disrupts normal business activities or represents a potential compromise of the security and privacy policies of the TLHIGA, it should be immediately reported to the Office Manager. This information will be provided to the Executive Director who will evaluate the necessity to address the matter immediately or as part of the annual evaluation of information technology systems.

(Note: Name and contact information for the specific vendors mentioned in the Technology Plan can be found in Appendix C to the Business Continuity Plan.)

APPENDIX I - PANDEMIC PREPAREDNESS AND RESPONSE PLAN

This Pandemic Preparedness and Response Plan (the “Pandemic Plan”) has been developed by the Texas Life and Health Insurance Guaranty Association (“the TLHIGA”) in the event of a pandemic outbreak to (1) minimize the disruption of the TLHIGA’s operations, (2) protect employees’ health and safety, and (3) limit the negative impact on the community, economy, and society.

Education and Prevention

The TLHIGA will provide educational and training materials to its employees on methods to protect their health by minimizing risks of contracting a virus and on the TLHIGA’s sick leave policies. Reminder notices will also be posted throughout the office on the importance of maintaining a healthy lifestyle, practicing good hygiene, and identifying symptoms.

The TLHIGA will provide the following resources to promote personal hygienic supplies at various locations within the office:

- Easily accessible hand washing area with antibacterial soap,
- Tissues and alcohol-based hand cleaners throughout the office, including each employee’s individual work area, and
- Face masks.

The TLHIGA will also make every effort to increase social distance, the space between people, while continuing business operations through the following:

- Cancelling non-essential face-to-face meetings,
- Utilizing teleconferencing and videoconferencing,
- Cancelling non-essential business travel,
- Spacing employees farther apart in the workplace, and
- Developing remote access and teleworking capabilities for all employees.

Additional action steps will be utilized in the TLHIGA’s activities to minimize the contraction and/or transmission of an illness, including:

- Encouraging all employees to get vaccinations, both seasonal and strain-specific, when the vaccines become available,
- Encouraging hand hygiene among employees such as washing their hands often and utilizing the alcohol based wipes and disinfectants,
- Encouraging respiratory etiquette among employees such as covering their coughs and sneezes,
- Actively and continually monitoring employees for symptoms,

- Sending employees home if they appear to have symptoms upon arrival to the office or that become ill during the work day,
- Insisting employees with symptoms stay home until at least 24 hours after they are free of fever of 100° or greater,
- Cleaning of surfaces and items in the office that are frequently touched,
- Advising employees that must travel of additional hygienic practices and how to obtain medical treatment if they become ill while traveling, and
- Researching the Texas Open Meetings Act to confirm the procedures for videoconferencing compliance for Board of Directors and Committee meetings.

Monitoring and Response Implementation

The TLHIGA's primary contacts for the Pandemic Plan, Executive Director Bart Boles and Senior Accountant Jarett Terry, will closely monitor the spread and severity of any outbreak through state and local health departments, the Center for Disease Control, and the Texas State Disaster Coalition. Both of these individuals will participate in the periodic teleconferences of the Texas State Disaster Coalition.

If more than 40% of the TLHIGA's employees are absent from the office due to symptoms or the necessity to stay home to care for children as a result of school or child care program closures, the TLHIGA will implement a heightened response by notifying all employees to remain at home and conduct their work functions by phone and through Internet connections in accordance with the TLHIGA's Business Continuity Plan.

The TLHIGA's computer network is designed to permit employees to securely access both their e-mail and their workstations remotely from any computer with an Internet connection. The TLHIGA's phone system has automated attendant capabilities with voice mailboxes for all employees that can be remotely accessed from any telephone to obtain messages. Facsimile messages are received and distributed electronically using e-mail. Banking activities all almost entirely conducted via the Internet with dual authentication and other security measures. Retrieval of mail from the TLHIGA's office building mail box will be rotated among employees that are not experiencing symptoms and, if necessary, specific items will be scanned and forwarded to the specific employee.

Regular Testing

The TLHIGA will conduct periodic tests of the telephone notification, remote access and teleworking capabilities, Internet banking, and daily computer network backups.

APPENDIX J - BANK OF AMERICA CENTER EMERGENCY INFORMATION

BANK OF AMERICA CENTER
515 CONGRESS AVENUE

EMERGENCY
HANDBOOK



IMPORTANT TELEPHONE NUMBERS

EMERGENCY (POLICE/FIRE/MEDICAL): Dial 911

- Tell the dispatcher you are at Bank of America Center, located at 515 Congress Avenue.
- The cross streets are Congress Avenue and 6th Street.

NON-EMERGENCY (POLICE/FIRE): Dial 311

MANAGEMENT OFFICE: (512) 478-6100

AFTER-HOURS MAINTENANCE EMERGENCY: (512) 590-0660

TEXAS GAS SERVICE (GAS EMERGENCY): (800) 700-2443

AUSTIN ENERGY (POWER OUTAGE): (512) 322-9100

In an emergency, the Fire Warden is responsible for getting everyone out of the building (safely but quickly), escorting everyone to your office's emergency meeting place outside of the building, and notifying the Management office when everyone is accounted for.

Please prepare now for the safe evacuation of anyone who is impaired -- mobility, sight, hearing, mentally, etc. Physically disabled persons need to be accompanied to the nearest stairwell and the Fire Department will come to your location.

Please note that if the sprinkler system (if applicable) or a pull station is activated, a general alarm will sound in the lobby and stairwells. The floors above and below these areas will be evacuated. Do not evacuate until you note the strobes AND audio in your space. Stairwells are the primary routes for evacuation at all times. Please stay to the right as you walk down as the Fire Department will also be utilizing the stairwells.

Each tenant should have a prearranged meeting place outside of and away from the building. Please be sure this meeting place is away from fire zones, hydrants, traffic, etc. Please notify the Management Team of where your meeting place will be. **Once you arrive at your meeting place, text the Management Team at (512) 540-2225 with your Tenant Office Name and Headcount.** After the Management Team has received notification from every tenant, we will notify everyone to return to the building.

EVACUATION RULES

1. Never block open a stairwell door with a wedge. Make sure the door is securely closed when the floor is clear.
2. Take emergency flashlights, especially in the event of a power outage.
3. Employees should take only their essential personal possessions. They will not be permitted to re-enter during the emergency.
4. Advise women wearing high heeled shoes to remove them to facilitate walking down stairs. *Note: It is advised that women store a pair of flat shoes at their desk for emergency situations.*
5. Please be quiet during the evacuation so everyone can hear and understand all emergency instructions relayed over the PA system.
6. Stay to the right as you walk down the stairs and use the handrail.
7. **FIRE EXTINGUISHERS ARE LOCATED** in hallways near the stairwells and by all exit doors.

Fire extinguisher use:

- Hold the extinguisher upright.
- Pull the safety pin.
- Point the nozzle at the base of the fire.
- Squeeze the lever while sweeping the extinguisher from side to side.
- **DO NOT** place a used extinguisher in the cabinet.

515 CONGRESS

AUSTIN, TEXAS

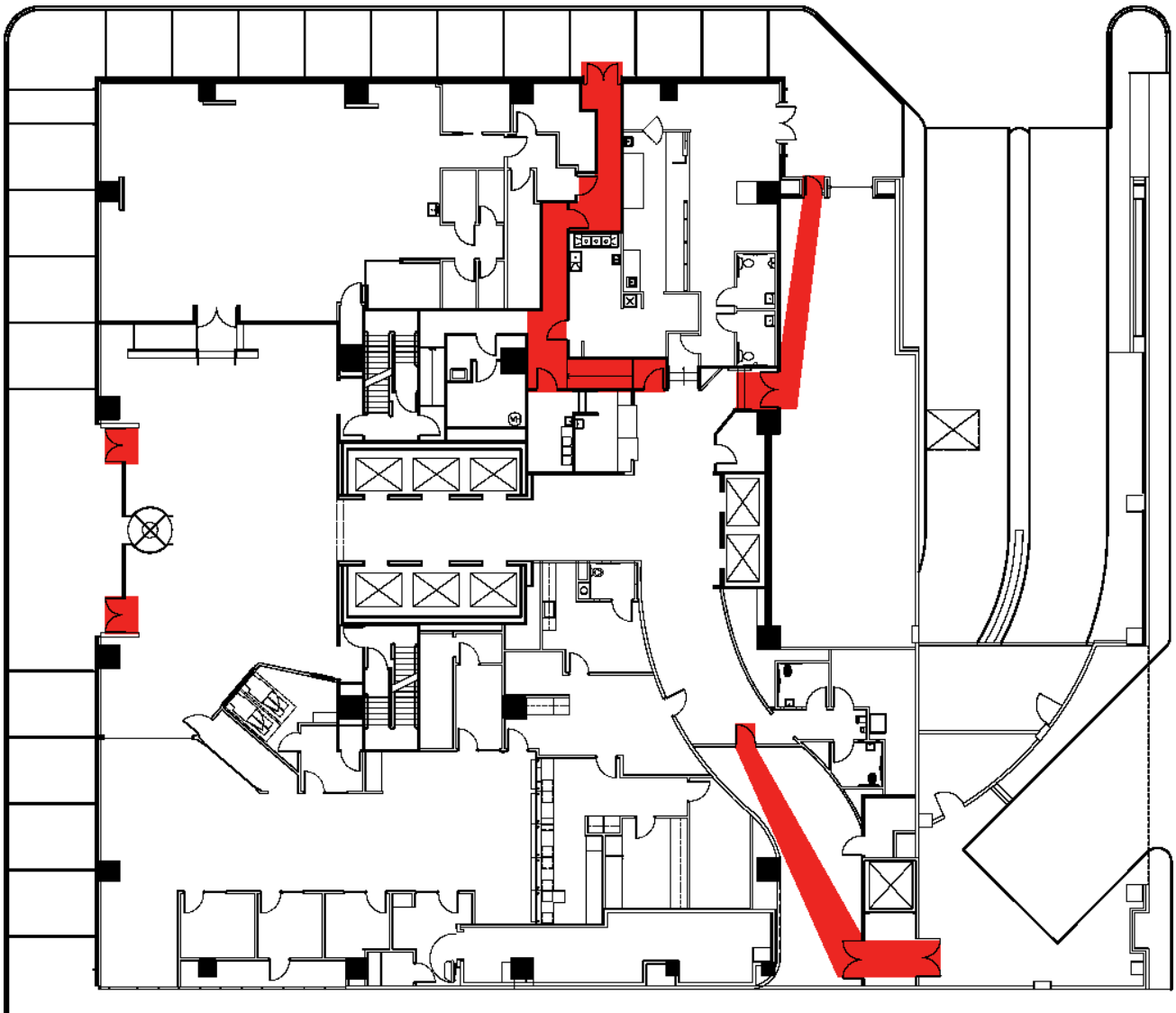


BASEMENT

 EXIT/STAIRWELL

515 CONGRESS

AUSTIN, TEXAS

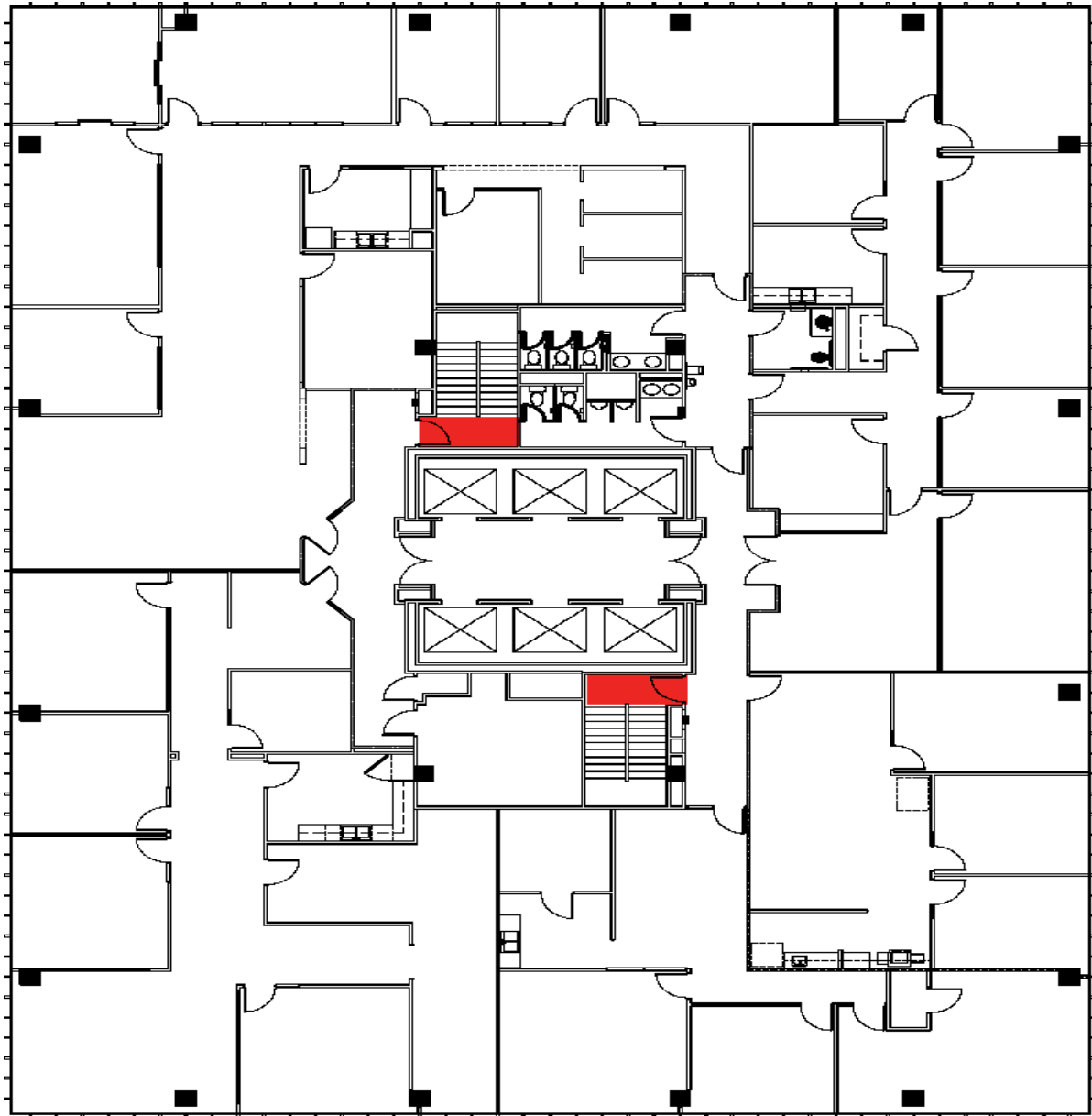


EXIT/STAIRWELL

LOBBY FLOOR PLAN

515 CONGRESS

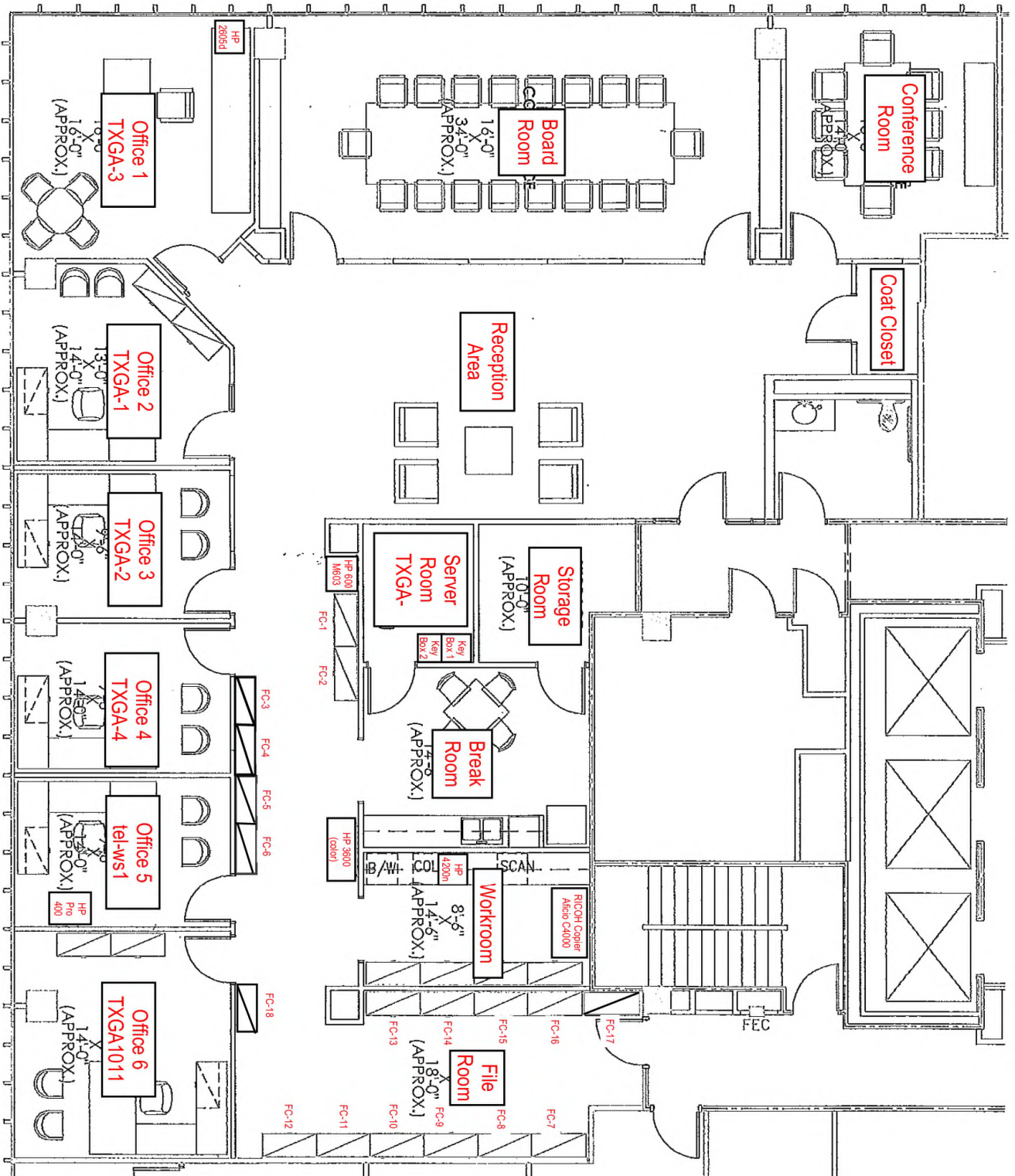
AUSTIN, TEXAS



UPPER LEVEL FLOOR PLANS

 EXIT/STAIRWELL

APPENDIX K – FLOORPLAN OF TLHIGA OFFICE



APPENDIX L – HARD COPY FILE ORGANIZATION AND RETENTION

TLHIGA hard copy files are kept in two places: the TLHIGA office and an off-site storage unit.

The estate insolvency files that are kept in the TLHIGA office are in Filing Cabinets 7 thru 15. There are also boxes of old estate insolvency files in the off-site storage unit. Electronic estate insolvency files are in the ImageRight files on the server and on the F drive in the EstateInfo folder.

The accounting files that are maintained in the TLHIGA office are in File Cabinets 2, 5, 6, 16 and 17 and in locked cabinets in the offices of the Senior Accountant and Staff Accountant. There are also boxes of accounting documents in off-site storage.

The operation files are kept in the TLHIGA office in File Cabinets 1, 3 and 4. There are also some administrative files kept in locked cabinets in the Executive Director's office.

The estate insolvency files are maintained in categories. See numbered category list below.

ESTATE INSOLVENT FILE TYPES/NAMES

Background & Financial Information (100s)

- 100 Conservator/Rehabilitator Information
- 110 Best's Reports
- 125 Annual Statements
- 130 Receiver's Financial Statements
- 150 Press Articles
- 160 NAIC History

Court & Commissioner's Orders (200s)

- 200 Rehabilitation/Conservation Order/TRO
- 210 Order of Liquidation/TI
- 220 Impairment Order
- 230 Receiver's Reports
- 240 Receiver's Pleadings
- 250 Other Pleadings/Orders

General Correspondence (300s)

- 300 Notices to Policyholders
- 310 Task Force Status Reports
- 320 Correspondence w/ Liquidator/SDR
- 330 With Other Guaranty Associations/Task Force
- 340 With Regulators

- 350 With Policyholders & Agents
- 360 Internal Memorandums
- 365 Correspondence w/ Others

Coverage Issues & Determinations (400s)

- 400 Specimen Policy Forms
- 405 Policyholder Listings
- 410 Coverage Issues

Policy Administration (500s)

- 500 Administration Analysis & Alternatives
- 510 Request for Service Agreement Proposals
- 520 Service Agreement Proposals & Evaluation
- 530 Service Agreement Contract
- 531 Service Agreement Billings and Fees
- 532 Service Agreement Reports
- 533 Administrative Correspondence
- 535 Performance Reviews
- 540 PPO Contracts
- 541 PPO Billings & Fees
- 550 Prescription Drug Card Contracts
- 551 Prescription Drug Card Billings & Fees
- 560 Other Administration Services Contracts
- 561 Other Administration Contracts Billings & Fees
- 570 Premium Receipts
- 575 Vendor Payments

Direct Claim Payments (600s)

- 600 Claims Payments
- 605 Premium Refunds
- 610 Life Claim Check Requests & EOBs
- 615 Return Mail
- 620 Health Claim Check Requests & EOBs
- 630 Long Term Disability (LTD) & Long Term Care (LTC) Check Requests & EOBs
- 640 Annuity Claim Check Requests & EOBs
- 645 Claims Appeals
- 646 Claims Refunds
- 647 Complaints
- 648 Claims Correspondence

Assumption Reinsurance (650s)

- 650 Actuarial Analysis & Evaluation

- 655 Liquidation Plan
- 660 Request for Assumption Reinsurance Proposals
- 670 Assumption Proposals & Evaluation
- 675 Assumption Agreement w/ [company name]
- 676 Reserve Transfer Calculations & Payment
- 677 Assumption - Post Closing
- 680 Listing of Policies Assumed by [company name]

Legal (700s)

- 700 Intervention
- 710 Briefs in Support of Liquidator/SDR
- 720 Common Interest/Confidentiality Agreement
- 730 Litigation Summaries Specific lawsuits
- 731 Claims Litigation
- 735 Litigation - Receiver
- 740 Litigation – Asset Recovery
- 745 Litigation – Policyholders
- 750 Litigation – Other
- 765 Litigation – Federal Indictment

Recoveries (800s)

- 800 Proof of Claim & Correspondence
- 801 Stipulation & Settlement on Claims
- 805 Early Access Agreement
- 810 Estate Asset Reports, Liquidations, & Distributions
- 820 Non–Estate Asset Recoveries
- 825 Special Deposits
- 830 Estate Asset Recoveries
- 840 Indemnity Reinsurance

Also, all TLHIGA documents are subject to the record retention guidelines.

The Insolvency Record Retention Guidelines are:**Retain Permanently:**

- Order of Liquidation
- Texas Impairment Order
- Inforce policy listings as of the Insolvency Date (Alphabetical by policyholder last name and mailing address, policy number, plan code, etc.)
- Specimen policy forms
- Matrix of policy forms to plan codes
- Assumption Reinsurance Agreements (fully executed) and funding summaries

- Listing of policies involved with assumption reinsurance transactions
- Summary listing of Guaranty Association's claims payments
- Summary of policy cancellation actions and lists of cancelled policies
- Coverage opinions from counsel
- Court approved liquidation plans

Keep for at least Seven Years:

- Contracts with consultants and policy administration/benefit vendors (third party administrators, actuaries, preferred provider organizations, prescription drug card companies, claims consultants, tax consultants, outside counsels, etc.)
- Common interest/confidentiality agreements
- Claims litigation, assignment, release and settlement records,
- Asset recovery litigation records,

Preserve for at Least Four Years From Document Creation/Receipt:

- Claims submissions and processing records (including claim forms, claims adjudication correspondence and phone conversation logs, Explanations of Benefits, prescription drug card invoices)
- Actuarial evaluation of block of business for assumption offering or projection of runoff liability
- Assumption reinsurance offering packages, distribution lists, and evaluations of proposals,
- Request for proposals
- Paid consultant invoices,
- Paid policy benefit vendor invoices (prescription drug card administration charges, PPO administration fees, utilization review firms, independent medical review firms, etc.)
- Premium collection records
- Other records relating to expenses:

Preserve for at Least Four Years After Receivership Closing:

- Receivership notices to policyholders and claimants,
- Proof of Claim filed with the Receiver and all updates
- Early Access Agreements
- Copies of estate asset distributions
- Correspondence with other guaranty associations and task force
- Correspondence with regulators

The Operations Record Retention Requirements are:

Retain Permanently:

- Copies of Internal Revenue Service Annual Reports or Returns (Forms 990, 990-PF, or 990-T) and any state equivalents,
- Entity's organizing and corporate governance documents, including Plan of Operation, Bylaws, committee charters, BOD Corporate Governance Guidelines, Antitrust Compliance policy, Policy Statement on Conflict of Interest and Business Ethics, Business Continuity Plan, Policy and Procedures Manual, Privacy Policy, IRS Determination Letter, Summary Document
- Board of Directors and Committees Meeting materials, including financial statements and summaries of minutes, and Management Control Documents,
- Tax reporting (other than IRS),
- Statutorily required Annual Reports, including financial audit,
- General Ledger and Journals,
- Assessment records, and
- Insurance policies.

Keep for at least Seven Years:

- Bank and brokerage statements and deposit slips,
- Details related to the organization's revenue,
- Employee and Board of Director expense reports and records relating to travel and entertainment expenses,
- Minutes of Board of Directors and Committee meetings (recordings), (see retention requirements for Executive Session recordings.)
- Inter-company borrowing reports,
- Monthly Obligations projections reports,
- Employee records
- Records involving any retirement plan or other benefit plan sponsored by the organization if such a plan is subject to, or could be subject to, ERISA, and
- Litigation records.

Preserve for at Least Four Years:

- Employee payroll records,
- Cancelled Checks – all accounts,
- Paid vendor invoices, and
- Other records relating to expenses.

Maintain for at least Three Years after Life of Asset or Its Sale:

- Depreciation schedules and other capital asset records, and
- Contracts and lease agreements.

APPENDIX M – ELECTRONIC RECORDS AND BACK UP PROCESS

The TLHIGA uses the DATTO backup appliance SB100D running RAID 1 and is physically located in the TLHIGA's server room. The backup appliance replicates full HDD images including OS and system state offsite to a cloud storage bin provided by the manufacturer and provides restoration options as follows:

- File Restore - Restore files and folders
- Local Virtualization - Boot the system in a virtual environment
- Bare Metal Restore - Restore back to a physical or virtual system
- Export Image - Export a recovery point as a VMDK or VHD

The three servers that the DATTO appliance protects are:

TXLIFE-GP	192.168.58.4
TXLIFE-FS01	192.168.58.9
TEL-APP1	192.168.58.11

APPENDIX N – CORPORATE GOVERNANCE RECORDS

All of the hard copies of the corporate governance documents mentioned below are maintained in the TLHIGA's offices in File Cabinet 4, in the third drawer from the top.

Also, electronic copies can be found in the Corporate Governance ("Current") folder on the F drive of the TLHIGA's network server and on the TLHIGA website.

A CD with the following corporate governance documents has been distributed to the TLHIGA counsel, the Executive Director, Chair of the Board of Directors and stored in the TLHIGA's safety deposit box 3-1405 at JP Morgan Chase Bank at 221 West Sixth Street, Austin, TX.

- Antitrust Compliance Policy (adopted 7-26-11)
- Antitrust Implementation Guidelines (7-26-11)
- Antitrust Certification of Compliance (7-26-11)
- BOD Corporate Governance Guidelines adopted 7-26-11
- Business Continuity Plan (7-28-15)
- Charter of the Assessment/Investment Committee (adopted 7-26-11)
- Charter of the Audit Committee (adopted 4-17-12)
- Charter of the Personnel Committee (adopted 7-26-11)
- Conflicts Policy (adopted 7-26-11)
- Conflicts Policy Questionnaire – Employees (7-26-11)
- Conflicts Policy Questionnaire – Nonemployees (7-26-11)
- Government Code Chapter 551. Open Meetings
- Guidelines for Nomination and Election of Officers of the Board of Directors
- Role of the Chair of the TLHIGA Board of Directors
- Role of the Chair of the TLHIGA Audit Committee
- Role of the Chair of the TLHIGA A-I Committee
- Role of the Chair of the TLHIGA Personnel Committee
- TLHIGA Privacy Policy (7-26-11)
- TLHIGA Bylaws (7-26-11)
- TLHIGA Plan of Operation (4-22-14)
- TLHIGA Board of Directors Roster 2015
- TLHIGA Board of Directors – Committee Roster 2015
- TLHIGA Employee Handbook (7-26-11)
- TLHIGA 401(k) Plan (7-2-13)
- TLHIGA Health Reimbursement Arrangement
- Texas Insurance Code Chapter 463 (2012)

APPENDIX O – COMMERCIAL INSURANCE COVERAGES

The TLHIGA currently has the following five commercial insurance coverages:

1. Business Owners’ Insurance,
2. Commercial Umbrella Insurance,
3. Workers Compensation and Employers Liability,
4. Financial Institution Bond for Insurance Companies, and
5. Directors’ and Officers’ Liability and Employment Practices Insurance.

The name and contact information for the insurance company, the broker that placed the coverage, brief descriptions of the risks covered, limits of coverage, retentions or deductibles coverage period, and annual premium for each policy are provided on the subsequent pages.

BUSINESS OWNER’S INSURANCE POLICY

Insurance Company: Liberty Mutual Insurance Company (Ohio Security Insurance Co)
 Policy Number: BZS (15) 56 37 43 03
 Broker: Jim Sammons/Mary Hale, Watkins Insurance Group
 Coverage Period: 11/3/14-11/3/15
 Annual Premium: \$ 2,345.00

This policy has three components: Commercial General Liability, Business Owner’s Property, and Hired/Non Hired Auto Insurance.

Commercial General Liability Coverage

DESCRIPTION	LIMITS OF INSURANCE
Each Occurrence	\$ 1,000,000
Annual Aggregate	\$ 2,000,000
Personal and Advertising Injury	\$ 1,000,000
Damage to Rented Premises	\$ 300,000
Medical Expense (per claim per person)	\$ 5,000
No Applicable Deductible Per Claim	

Business Owner's Property Coverage

DESCRIPTION	LIMITS OF INSURANCE
Main Office – 515 Congress Ave, Ste. 1875 Contents Valuable Papers Account Receivable Employee Dishonesty	\$ 366,353 \$ 25,000 \$ 125,000 \$ 25,000
Storage – 1213 W. 6th Street Contents Valuable Papers Account Receivable Employee Dishonesty	\$ 7,041 \$ 300,000 \$ 125,000 \$ 25,000
Business Income/Extra Expense	\$ 1,177,615
Fine Arts	\$ 25,000
\$500 Deductible Per Occurrence	

Hired/Non-Owned Auto Liability Coverage

DESCRIPTION	LIMITS OF INSURANCE
Each Occurrence	\$ 1,000,000

COMMERCIAL EXCESS (UMBRELLA) INSURANCE POLICY

Insurance Company: Liberty Mutual Insurance Company (The Ohio Casualty Insurance Co)
 Policy Number: US0 (15) 56 37 43 03
 Broker: Jim Sammons/Mary Hale, Watkins Insurance Group
 Coverage Period: 11/3/14-11/3/15
 Annual Premium: \$ 1,818.00

DESCRIPTION	LIMITS OF INSURANCE
Annual Aggregate	\$ 5,000,000
Bodily Injury and Property Damage (per occurrence)	\$ 5,000,000
Personal and Advertising Injury (per person or organization)	\$ 5,000,000
Retained	\$ 5,000

WORKERS COMPENSATION & EMPLOYERS LIABILITY INSURANCE POLICY

Insurance Company: Liberty Mutual Insurance Company (Ohio Security Insurance Co)
 Policy Number: XWS (15) 56 37 43 03
 Broker: Jim Sammons, Watkins Insurance Group
 Coverage Period: 11/3/14-11/3/15
 Annual Premium: \$ 1,307.00

DESCRIPTION	LIMITS OF INSURANCE
Workers Compensation – TX Law	per TX law
Employers Liability	
Bodily Injury by Accident (each accident)	\$ 1,000,000
Bodily Injury by Disease (policy limit)	\$ 1,000,000
Bodily Injury by Disease (each employee)	\$ 1,000,000

FINANCIAL INSTITUTION BOND FOR INSURANCE COMPANIES

Insurance Company: Hartford Fire Insurance Company
 Bond Number: 65 FI 0237498-14
 Broker: Jim Sammons, Watkins Insurance Group
 Coverage Period: 12/1/14-12/1/15
 Annual Premium: \$ 3,879.00 (prior year's premium was \$3,821.00)

DESCRIPTION	LIMITS OF INSURANCE
Fidelity	\$ 1,000,000
On Premises	\$ 1,000,000
In Transit	\$ 1,000,000
Forgery or Alteration	\$ 1,000,000
Securities	\$ 1,000,000
Computer Systems Fraud	\$ 1,000,000
ERISA Coverage Included	
\$ 25,000 Deductible Per Occurrence	

**DIRECTORS' AND OFFICERS' LIABILITY AND
EMPLOYMENT PRACTICES INSURANCE POLICY**

Insurance Company: Great American Insurance Company
 Policy Number: SR 1345878
 Broker: Steve Monteith, Matsock Insurance Agency – Chicago, IL
 Coverage Period: 8/1/15-8/1/16
 Annual Premium: \$ 37,057.00

DESCRIPTION	LIMITS OF INSURANCE
Annual Aggregate	\$ 5,000,000
Retained	\$ 50,000

APPENDIX P – EMPLOYEE BENEFIT PLANS

The following describes the insurance and retirement benefits provided to TLHIGA personnel.

1. Health insurance plan – The current health insurance plan is provided through a group policy with Blue Cross Blue Shield of Texas under which the TLHIGA pays 100% of the employee premium. This 80/20 PPO plan provides:
 - ❖ Calendar Year deductibles of \$1,250 per individual/\$3,750 per family
 - ❖ \$30 copay for office visits
 - ❖ \$50 copay for urgent care
 - ❖ \$400 copay for emergency room
 - ❖ Out of Pocket maximums of \$3,500 per individual /\$10,500 per family
 - ❖ Wellness benefits are covered at 100%
 - ❖ Out of network benefits are covered at 60%
 - ❖ Prescriptions are \$15 per generic, \$30 for brand name, and \$45 for non-formulary
2. Dental insurance plan – The dental insurance plan is provided through a group policy with Dental Select under which the TLHIGA pays 100% of the employee premium. This PPO plan provides:
 - ❖ Calendar Year deductibles of \$50 per individual/\$150 per family
 - ❖ X-rays covered at 100%
 - ❖ Fillings, periodontics, and endodontics are covered at 80% after the deductible
 - ❖ General anesthetics, crowns, bridges and dentures are covered at 50% after the deductible
 - ❖ Annual maximum benefit is \$2,000
3. Long Term Disability insurance – The TLHIGA pays for a long term disability policy for each employee provided through Sunlife Financial. The policy pays 66.67% of salary after a 90 day elimination period.
4. Term Life and AD&D insurance – The TLHIGA carries a group term life policy for all employees, also through Sunlife Financial, which pays two times the employee’s salary up to a maximum of \$250,000 benefit.
5. Health Reimbursement Arrangement (“HRA”) – The TLHIGA provides a Health Reimbursement Arrangement that defines the expenses eligible for reimbursement to include out of pocket expenses, copayments and deductibles under the medical insurance and dental insurance plans, including copayments for prescription drugs, and to allow 50% of the unused portion of an annual \$1,500 reimbursement amount to be rolled over at year-end into the next year up to a maximum balance of \$4,500.
6. 401(k) Retirement Plan – The TLHIGA has a 401(k) safe harbor retirement plan. An employee becomes eligible to participate in the plan on the next enrollment date after

six months of employment. Enrollment dates are January 1, April 1, July 1 and October 1. The TLHIGA currently contributes 3% of each employee's annual salary, irrespective of whether the employee makes any contribution (this will change to 4% on January 1, 2016), and then matches 50% of the first 6% of an employee's contribution. As an example, if an employee contributes 6% of salary, the TLHIGA will contribute 6%, half of which is matching. An employee is always 100% vested in his/her contributions and employer contributions are vested in the following manner:

<u>Years of Service</u>	<u>Vested Percentage</u>
Less than 1 year	0%
1 but less than 2 years	20%
2 but less than 3 years	40%
3 but less than 4 years	60%
4 but less than 5 years	80%
5 years or more	100%

APPENDIX Q – JOB DESCRIPTIONS FOR ALL TLHIGA POSITIONS

The current job descriptions for the following five TLHIGA positions are attached:

- Executive Director,
- Senior Accountant,
- Office Manager,
- Staff Accountant, and
- Administrative Assistant.

JOB DESCRIPTION

POSITION: Executive Director

POSITION SUMMARY: The Executive Director is the Chief Executive Officer of the Association. As such, he/she is responsible to maintain policies, strategies, and plans to effectively fulfill the Association's statutory responsibilities and to achieve the goals of the organization as adopted by the Board of Directors. The Executive Director evaluates issues facing the Association, develops the various means available to address the issues, makes reports and recommendations to the Board of Directors, and makes the necessary arrangements and decisions to carry out the directives of the Board of Directors.

RESPONSIBILITIES:

1. General Association Duties

- 1.1. Ensure Association accountability and compliance with Association's governing statute, By laws, Operating Plan, Budget, all agreements in which the Association has entered, and terms of covered insurance policies
- 1.2. Identify issues for posting on Board of Directors meeting agendas; preparation of meeting briefing material; presentation of issues during meetings
- 1.3. Monitor activities for adjustments to Policy and Procedure Manual
- 1.4. Monitor Texas Department of Insurance recommended rules and regulations for impact on Association activities
- 1.5. Manage Association's web site and day-to-day network and computer administration
- 1.6. Management of all Association staff including personnel decisions as necessary

2. Management of Policy and Claims Administration Issues

- 2.1. Analyze policy obligations in each insolvency to determine whether they represent Association responsibilities
- 2.2. Review language of active policy forms in each insolvency for cancellation provisions to analyze whether policy cancellation (either through policy terms or the Association's statutory cancellation rights) or continuation and a possible assumption reinsurance transaction is in the best interest of the Association. Make a cancellation/continuation recommendation to the Board of Directors.

- 2.3. Exploring and developing alternatives for addressing the non-cancelable policies that are the Association's responsibility (i.e. long term administration vs. assumption reinsurance) and preparing a recommendation to the Board of Directors
 - 2.4. Prepare quarterly forecasts of Association's claims obligations
 - 2.5. Accumulating premium and loss data for submission of premium rate increases with regulators
 - 2.6. Manage claims and customer service staff on specifics of policies being administered, claims issues, and application of guaranty association statute
 - 2.7. Drafting all notices to policyholders/providers to be used by the Association
3. Assumption Reinsurance
 - 3.1. Develop Requests for Proposals for actuarial consulting services related to the development of data for assumption offering packages
 - 3.2. Draft assumption reinsurance offering packages for policies covered by the Association that cannot be canceled, including directing the work of actuarial consultants
 - 3.3. Evaluate assumption reinsurance proposals and make recommendations to the Board of Directors regarding assumption reinsurance offers
 - 3.4. Draft assumption reinsurance agreements
 - 3.5. Review of all assumption reserve transfer calculations for funding
4. Third Party Administrator Procurement and Management
 - 4.1. Develop Requests for Proposals as necessary to select third party administrators to provide policy and claims administration or developing documentation to justify third party administration selection without a bidding process(including recommendations to Board of Directors for all engagements)
 - 4.2. Negotiate and draft service agreements with third party administrators
 - 4.3. Respond to third party administrator requests for decisions on policy language interpretations, policy administration guidelines, and coverage issues on troubled claims
 - 4.4. Monitor TPA work for compliance with service agreements and insurance policies being administered through routine communications and annual on-site reviews
 - 4.5. Perform accumulations of aggregate claims payment totals by insured on each insolvency to assure compliance with Association's statutory coverage limits for each line of business

5. Asset Recovery

- 5.1. Identification of collection of overpayments arising from coordination of benefits issues, duplicate claims submissions by providers
- 5.2. Coordinate insurance policy driven asset recovery work (i.e. indemnity reinsurance, subrogation, etc.) with the receivers, including identifying potential reinsurance recovery claims and assembling supporting documentation
- 5.3. Monitoring all court pleadings and reports filed by receivers for effect on the Association
- 5.4. File original Proofs of Claim with the receivers of insolvent estates and authorize the periodic updates assembled by staff
- 5.5. Negotiate Proofs of Claim issues with receivers as issues arise
- 5.6. Evaluate financial statements from receivers and asset recovery issues and forecasting potential asset distributions to the Association

6. Litigation Management

- 6.1. Identify specific issues that require legal analysis and forward to outside counsel
- 6.2. Meet regularly with outside counsel on the status of current litigation cases to evaluate alternatives
- 6.3. Provide litigation support and expert testimony as needed
- 6.4. Prepare recommendation to the Board of Directors on litigation strategy and settlements

7. Customer Service

- 7.1. Respond to all consumer, agent, health insurance provider, regulatory, and legislative written, phone, or e-mail inquiries regarding Association statutory coverage limits and exclusions
- 7.2. Provide instructions and phone scripts to staff as necessary to ensure consistent application of Association protection

8. External Relationships

- 8.1. Monitor monthly reports from Texas Department of Insurance on insurance companies subject to confidential administrative proceedings
- 8.2. Meet regularly with Texas insurance regulators to review receivership issues
- 8.3. Attend all status conferences with Special Master on Texas domestic insolvencies
- 8.4. Serve as the Association's representative on all National Organization of Life and Health Insurance Guaranty Associations ("NOLHGA") insolvency task forces for which Texas is asked to serve

8.5. Attend all NOLHGA Members' Participation Council meetings as the Association's voting representative

8.6. Maintain contact with Receivers of insolvent estates

EDUCATION, EXPERIENCE, SKILLS:

Required: College degree in business management, finance, accounting, or public administration and at least 5 years executive management experience. Knowledge of all aspects of business including financial, annual budgets, regulatory requirements, court proceedings, etc. Ability to manage people and multiple responsibilities; travel nationally for Association business, represent the Association in speaking engagements or with the press. Strong oral and written communication skills, organizational abilities, and knowledge of Microsoft Office software.

Preferred: Experience in executive management positions in the insurance industry reporting to a Board of Directors. Experience with insurance insolvency laws/process and life, A&H, annuity and disability insurance policy and claims administration.

WORK HOURS:

Labor Day to Memorial Day – 7:30 AM to 4:30 PM, Monday through Friday; 40 hours per week.
Memorial Day to Labor Day (summer hours) – 7:30 AM to 5:00 PM, Monday through Thursday, 7:30 AM to Noon on Fridays. Business related travel may require additional hours.

TRAVEL REQUIREMENTS:

Up to 50% nationwide.

REPORTING RELATIONSHIP:

Reports to: Board of Directors

Positions Supervised: 4 Supervised - Senior Accountant, Office Manager, Staff Accountant, Administrative Assistant

JOB CLASSIFICATION:

This position is exempt under the Fair Labor Standards Act.

JOB DESCRIPTION

POSITION: Senior Accountant

POSITION SUMMARY: Responsible for the administration and management of all financial accounting, reporting and other financial matters related to the operations of the Association in compliance with the provisions of Chapter 463 of the Texas Insurance Code (the Texas Life and Health Insurance Guaranty Act), and all other applicable statutes and accounting governance (GAAP and GAAS), including but not limited to:

RESPONSIBILITIES:

1. Administration of financial accounting and reporting:
 - 1.1 Responsible for the Association's financial statements; including establishment of standards, timely and accurate preparation and analysis.
 - 1.2 Evaluate and monitor the Association's system of internal accounting controls
 - 1.3 Coordinate external audits with independent auditors and State auditors
 - 1.4 Assist the Executive Director in the development, implementation, maintenance and monitoring of policies and procedures that reflect current standards and practices and that enhance economic and efficient operating results
 - 1.5 Provide direction and management of daily accounting operations. Serve as a resource to the Association staff in the planning and resolution of major accounting transactions and reporting issues
 - 1.5.1 Maintain general ledger and related journals
 - 1.5.2 Coordinate and supervise accounting staff with respect to accounts payable; bank, general ledger and estate reconciliations; Proof of Claim and other expense reimbursement reports; inter-company loans tracking.
 - 1.5.3 Perform all month-end processing including reconciliation of accounts.
 - 1.5.4 Prepare monthly financial statements and supplemental reports.
 - 1.5.5 Prepare year-end general ledger closing adjustments and 1099 submissions
 - 1.6 Oversee completion of special projects related to internal accounting, financial reporting audit and oversight by the Texas Department of Insurance

- 1.7 Responsible for federal and state tax compliance and preparation of annual returns
 - 1.8 Attend Board of Directors meetings, Committee meetings, and other executive meetings as requested by the Executive Director or the Board of Directors to provide information relative to operations and activities.
2. Administration of the Assessment Process:
- 2.1 Maintain member insurer database
 - 2.2 Coordinate the assessment process: Including; (1) the determination of member companies, (2) evaluation of premium data, (3) interpretation of statutes, (4) planning and forecasting of needs and timing, (5) calculation, billing and collection, and (6) enforcement reporting.
 - 2.3 Determine refunds to member insurers, and coordinate impact with Texas Comptroller of Public accounts for State of Texas.
 - 2.4 Represent the Association with member insurers in all assessment matters, including premium tax offset statutes.
3. Human Resources Coordinator
- 3.1 Coordinate payroll with payroll service.
 - 3.2 Review payroll service's tax deposits and quarterly payroll tax reports.
 - 3.3 Process payments for staff insurance benefits, including life, health and disability insurance and retirement plan.
 - 3.4 Prepare reports to employee benefits administration firm and reconcile balances with benefits administrator's records.
 - 3.5 Accumulate employee time information and prepare time summary reports.
 - 3.6 Review year-end W-2 processing.
 - 3.7 Maintain personnel records.
 - 3.8 Provide new employees with insurance enrollment and personnel forms.
4. Administration of other financial matters:
- 4.1 Assist the Executive Director in the preparation of annual budget for presentation to the Board of Directors; including accumulation of financial needs and projections,

- 4.2 Responsible for cash management planning, including investment of funds, and projection of available funds to meet expected needs and obligations. Manage cash flow for the timely and accurate payment of obligations established by statute, the Association's Plan of Operations, Bylaws and directives of the Board of Directors.
- 4.3 Administration of banking relations for daily activities
- 4.4 Assist Executive Director in obtaining line-of-credit borrowings for the Association, if applicable and necessary, and maintaining the appropriate accounting records
- 4.5 Assist Executive Director in compliance with additional reporting provisions of Texas statutes applicable to the Association
- 4.6 Assist the Executive Director in the management of insolvent estates in planning and meeting financial obligations of the Association
- 4.7 Serve as staff liaison to the Audit and Assessment/Investment Committees to the Board of Directors; providing documentation for issues addressed by the Committees.
- 4.8 Represent the Association with the Texas Department of Insurance, Receivers/Liquidators, Comptroller of Public Accounts and the National Organization of Life and Health Insurance Guaranty Associations
- 4.9 Administer equipment leases and purchases, occupancy leases and other operational contracts of the Association
- 4.10 Perform additional other duties as may be requested by the Executive Director

EDUCATION, EXPERIENCE, SKILLS:

Qualifications include a college degree in accounting with Certified Public Accountant certification, at least 4 years [in charge or management] experience in financial accounting with audit and not for profit tax preparation, strong communication skills, and proficiency with Great Plains or similar accounting software and Microsoft Office software. Additional experience in investment, cash management, and the insurance industry background is desirable but not required.

WORK HOURS:

Labor Day to Memorial Day – 7:30 AM to 4:30 PM, Monday through Friday; 40 hours per week.

Memorial Day to Labor Day (summer hours) – 7:30 AM to 4:30 PM, Monday through Thursday, 7:30 AM to Noon on Fridays. Business related travel may require additional hours.

TRAVEL REQUIREMENTS: Less than 10% travel, possibly nationally.

REPORTING RELATIONSHIP:

Reports to: Executive Director

Positions Supervised: Staff Accountant

Number of employees supervised: 1

JOB CLASSIFICATION:

This position is exempt under the Fair Labor Standards Act.

JOB DESCRIPTION

POSITION: Office Manager

POSITION SUMMARY: Management of administrative operations and supervision of administrative staff.

PRIMARY RESPONSIBILITIES:

1. Monitor and supervise the day-to-day administrative operations.
 - 1.5 Responsible for administrative staffing
 - 1.6 Point of contact for property management and vendors
 - 1.7 Responsible for furniture and fixtures; and overall working condition of office copier, printers, fax machine, postage machine, and phone system
 - 1.8 Assist with organization of major projects and filing systems, includes maintaining record retention records for off-site storage
 - 1.9 Assist as needed with overflow claims distribution and premium administration
 - 1.10 Prepare periodic administrative reports including time sheet allocation reports and quarterly phone call and e-mail report
2. Track Board Meeting action items.
3. Point-of-contact for Association Board of Directors.
 - 3.1 Coordinate production and distribution of board and committee meeting material
 - 3.2 Attend and write minutes of board and committee meetings
 - 3.3 File executive session tapes in safety deposit box
 - 5.4 File meeting notices/agendas with the Texas Register
4. Daily administrative duties.
 - 4.1 Greeting office visitors
 - 4.2 Maintaining calendar of scheduled leave time and travel for all staff
 - 4.3 Date stamping all incoming mail and packages. Routing the mail to the appropriate staff member
 - 4.4 Drafting and distributing correspondence
 - 4.5 Monitoring the level of available postage on the postage machine and electronically purchasing additional postage as necessary
 - 4.6 Monitoring supply levels and ordering as necessary
 - 4.7 Receiving and distributing incoming electronic facsimile messages via e-mail to the appropriate staff

5. Media.
 - 5.1 Maintain and update website
 - 5.2 Assembling and publishing the Annual Report

6. Maintain operations documents.
 - 6.1 Disaster Recovery Plan
 - 6.2 Employee Handbook
 - 6.3 Strategic Plan
 - 6.4 Policies and Procedures Manual

7. Payment Logging and Filing
 - 7.1 Logging all payments received through the mail
 - 7.2 Copying and distribution of payment documentation

8. Claims Logging, Tracking, and Distribution Duties
 - 8.1 Date and number stamping of claims received in the mail
 - 8.2 Entering information on received claims into the claims receipt log
 - 8.3 Copying signed checks on processed claims for filing
 - 8.4 Matching claim checks and Explanation on Benefits for stuffing in envelopes and mailing
 - 8.5 Entering information on processed claims into the claims receipt log and disbursement summaries

9. Analyze and change/initiate office procedures as needed

SECONDARY RESPONSIBILITIES:

10. Human Resources Coordinator.
 - 10.1 Provide new employees with insurance enrollment and personnel forms
 - 10.2 Maintain personnel records
 - 10.3 Maintain 401(k) plan records
 - 10.4 Coordinate with temporary employment agencies as needed
 - 10.5 Provide support for hiring new staff such as ad placement and application screening

11. Track and maintain the Association's insurance coverage records

12. Perform all duties of the Administrative Assistant when s/he is absent or unavailable

13. Perform other additional job duties as necessary.

EDUCATION, EXPERIENCE, SKILLS:

Required College degree required and at least 5 years of experience in executive administrative support, including office management and staff supervision. Strong computer skills and proficiency with all office equipment. Good oral and written communication skills and organizational abilities.

Preferred: Previous experience working with upper management and board of directors. Strong knowledge of office procedures and protocol. Previous experience as board liaison, board meeting preparation, and Department of Labor workplace requirements.

WORK HOURS:

Labor Day to Memorial Day - 7:30 AM to 4:30 PM, Monday through Friday; 40 hours per week.

Memorial Day to Labor Day (summer hours) – 7:30 AM to 5:00 PM, Monday through Thursday, 7:30 AM to Noon on Fridays

TRAVEL REQUIREMENTS:

Less than 40% travel.

REPORTING RELATIONSHIP:

Reports to: Executive Director

Positions Supervised: Administrative Assistant

Number of employees supervised: 1

JOB CLASSIFICATION:

This position is considered under the Fair Labor Standards Act as a Professional Exempt position.

JOB DESCRIPTION

POSITION: Staff Accountant

POSITION SUMMARY: Performs daily accounting functions and supports Senior Accountant.

PRIMARY RESPONSIBILITIES:

1. Process checks for Association operations and insolvency benefits payables.
 - 1.5 Determine source and initiate fund transfers as necessary.
 - 1.6 Input all check request information and process checks for signature
 - 1.7 Distribute checks to appropriate department or individual for mailing.
 - 1.8 Log all activity in check register.
 - 1.9 Manage positive pay data transmissions and adjustments to bank.
2. Prepare deposits, log all activity in check register, and travel to bank to make deposits as needed.
3. Monitor cash balances at bank and transfer funds as necessary to maintain levels to meet Association obligations.
4. Maintain vendor files in accounting department filing system.
5. Transmit periodic electronic funds transfer premium data.
6. Transmit periodic wire transfers.
7. Track and maintain W-9 vendors.

SECONDARY RESPONSIBILITIES:

8. Assist in reconciliations.
 - 8.5 General ledger accounts
 - 8.6 Bank accounts
 - 8.7 Estate specific expenses and allocations
 - 8.8 Intercompany loans
9. Perform monthly postage and copier allocations.
10. Perform other additional job duties as necessary.

EDUCATION, EXPERIENCE, SKILLS:

Required: Bachelor's degree in Accounting and/or Finance or high school diploma with equivalent experience. Knowledge of accounting concepts, practices and procedures. Minimum of two years accounting experience. Microsoft Excel skills, other Microsoft Office products skills and experience with large accounting software applications. Good oral and written communication skills and organizational abilities.

Preferred: Previous general ledger experience and working knowledge of Great Plains accounting software.

WORK HOURS:

Labor Day to Memorial Day - 7:30 AM to 4:30 PM, Monday through Friday; 40 hours per week.

Memorial Day to Labor Day (summer hours) – 7:30 AM to 5:00 PM, Monday through Thursday, 7:30 AM to Noon on Fridays

TRAVEL REQUIREMENTS:

Less than 10% travel; local.

REPORTING RELATIONSHIP:

Reports to: Senior Accountant

Positions Supervised: N/A

Number of employees supervised: N/A

JOB CLASSIFICATION:

This position is considered under the Fair Labor Standards Act as a Non-Exempt position.

JOB DESCRIPTION

POSITION: Administrative Assistant

POSITION SUMMARY: Performing various office administration functions in support of all activities including answer/direct incoming calls, incoming and outgoing mail handling, meetings support, travel arrangements, logging and distribution of claims, filing, maintaining supplies, and data entry projects.

PRIMARY RESPONSIBILITIES:

1. Receptionist Duties.
 - 1.1 Greeting office visitors
 - 1.2 Screening incoming phone calls to provide basic information or directing to appropriate employee with the proper announcement.
 - 1.3 Tracking incoming phone calls by type and preparing monthly call and e-mail summary report.
 - 1.4 Maintaining voice mail and messaging system for main office phone lines.
 - 1.5 Addressing maintenance issues with the proper vendors, and researching/interviewing new vendors as needed.
 - 1.6 Research insurance issues in order to address complex inquiries.
2. Board of Directors and Committees Support Duties.
 - 5.3 Preparing and submitting Open Meeting notices and agendas with the Texas Register
 - 5.4 Assembling, page numbering, copying, binding, and distributing Board and Committee meetings briefing material.
 - 5.5 Assisting Board and Committee members with travel arrangements for meetings, coordinating tax exemption documentation and researching hotel venues.
 - 5.6 Making catering arrangements for all Board and Committee meetings and dinners.
3. Office Organization, Filing, and other Duties.
 - 3.1 Creating new files as necessary.
 - 3.2 Maintaining electronic database of in-house and off-site files and executing different databases dependent on the information.
 - 3.3 Scanning and filing of documents daily.
 - 3.4 Monitoring supply levels and ordering as necessary,
 - 3.5 Performing additional data entry and filing projects as requested.
 - 3.6 Assisting with large mail outs for assessments and estates and maintaining proper documentation of any issues.

SECONDARY RESPONSIBILITIES:

4. Incoming and Outgoing Mail, Deliveries, and Facsimile Duties.
 - 4.1 Retrieving incoming mail from building mailbox daily. Date stamping all incoming mail and packages. Routing the mail to the appropriate staff member.
 - 4.2 Matching correspondence, stuffing envelopes, apply postage, and delivering outgoing mail to building mailbox daily.
 - 4.3 Drafting and distributing routine correspondence.
 - 4.4 Monitoring the level of available postage on the postage machine and electronically purchasing additional postage as necessary.
 - 4.5 Allocating postage to the appropriate insolvent estate and calculating final postage allocation at the end of each month.
 - 4.6 Receiving and distributing incoming electronic facsimile messages via e-mail to the appropriate staff.
 - 4.7 Coordinating package pick-ups with delivery service.
5. Claims Logging, Tracking and Distribution Duties
 - 5.1 Date and number stamping of claims received in the mail.
 - 5.2 Entering information on received claims into the claims receipt log.
 - 5.3 Copying signed checks on processed claims for filing.
 - 5.4 Matching claim checks and Explanation of Benefits for stuffing in envelopes and mailing.
 - 5.5 Entering information on processed claims into the claims receipt log and disbursement summaries.
6. Payment Logging and Filing
 - 6.1 Logging all payments received through the mail.
 - 6.2 Copying and distribution of payment documentation.

EDUCATION, EXPERIENCE, SKILLS:

Required: High school diploma or equivalent accreditation and at least 2 years completed college course work required with 5 years general office procedures experience. Typing (50 wpm), computer experience with intermediate skills in Microsoft Word, Excel, and Access. Familiarity with and ability to operate various types of office equipment such as telephone system, fax machine, postage meter, and copier. Strong communication skills, both oral and written.

Preferred: Previous customer service background and life, health, and/or annuity insurance products experience.

WORK HOURS:

Labor Day to Memorial Day - 7:30 AM to 4:30 PM, Monday through Friday; 40 hours per week.
Memorial Day to Labor Day (summer hours) – 7:30 AM to 5:00 PM, Monday through Thursday,
7:30 AM to Noon on Fridays

TRAVEL REQUIREMENTS:

None.

REPORTING RELATIONSHIP:

Reports to: Office Manager
Positions Supervised: N/A
Number of employees supervised: N/A

JOB CLASSIFICATION:

This position is considered a Non-Exempt position under the Fair Labor Standards Act.

APPENDIX R - SUCCESSION PLAN FOR KEY POSITIONS

The TLHIGA's Board of Directors has the full responsibility and authority to ensure the continuous performance of the executive duties critical to ongoing operations should the Executive Director become unable to perform the duties of his/her position due to a planned or unplanned, short-term, long-term or permanent absence (i.e. resignation, retirement or incapacitation due to injury, illness or death). The following provides possible practices the Board of Directors may follow should one of these events occur.

INTERIM/TEMPORARY – The Board of Directors has options for an interim or temporary measure to continue operations in the event the Executive Director's incapacitation or unplanned absence extends beyond 90 days but is not considered to be permanent or the absence is going to be permanent and the search for a replacement will take more than 90 days. These include:

- ✓ The Senior Accountant, with support from the general counsel, can serve as interim Executive Director to continue all TLHIGA activities on a short-term basis. Additional support can be obtained from the administrators of other guaranty associations and the staff at the National Organization of Life & Health Insurance Guaranty Associations. The Chair of the Board of Directors will be involved with regularly status communications to ensure the adequacy of the support.
- ✓ If the Senior Accountant, or the Board of Directors, is uncomfortable with using current, in house resources as an interim measure, a short-term engagement could be negotiated with an individual that is currently contracted to serve as the administrator of another state's life & health insurance guaranty association to serve as the interim Executive Director. NOLHGA has a list of the contracted guaranty association administrators.

PERMANENT – If the Executive Director's absence is permanent, due to resignation, retirement or full incapacitation due to injury, illness or death, the Board of Directors will move forward to finalize the retention of an Executive Director while the operations are being continued through an Interim Executive Director. The following options could be used:

- ✓ Engaging an executive search firm to identify potential candidates,
- ✓ Contacting the NOLHGA President to solicit names of candidates,
- ✓ Soliciting names from industry representatives serving on other guaranty association boards, or
- ✓ Soliciting names from the Texas Department of Insurance.

There are a number of documents that will be useful in matching capabilities of any potential replacement Executive Director with the duties, responsibilities and requirements of the position. These include the following:

1. The Executive Director job description contained in Appendix Q,
2. A full set of the corporate governance documents described in Appendix N,
3. The Executive Director's most recent five year compensation history (this is provided to the Personnel Committee during their Spring meeting),

4. A listing of all NOLHGA insolvency task forces and committees on which the exiting Executive Director was serving,
5. The description of the Executive Director's specific role in various operational activities (compiled by the exiting Executive Director), and
6. A full

If necessary, policy administration or claims management experience can be acquired by contracting with local insurance professionals.

The Board of Directors' search for a permanent replacement Executive Director could include former board members of the TLHIGA or another guaranty association, and mid to upper level insurance company management, preferably with experience in government relations, insurance operations, and policy and claims administration.

COMMUNICATIONS – The inability of the Executive Director to perform his/her duties, and the name of the person serving as the interim or new permanent Executive Director, should be communicated to the following to ensure there is no disruption in vital communications:

- The Director of the Receivership/Liquidation Office of the Texas Department of Insurance,
- The NOLHGA President,
- The principal contact of any third party administrator with whom the TLHIGA has directly contracted.