

TEXAS WINDSTORM INSURANCE ASSOCIATION

REQUEST FOR PROPOSALS
Project Management – Office Space
Issue Date: January 20, 2022

Deadline for Submission: February 11, 2022 5:00 PM CST, Austin, Texas

Emailed responses will be accepted until the date and time established for receipt. Responses received later than the specified date and time will be disqualified as untimely.

Submit Responses by Email to: space@twia.org

Association Physical Address (Do not use for submissions)
Texas Windstorm Insurance Association
5700 South MoPac Expressway
Building A
Austin, Texas 78749

To obtain a copy of this RFP or for other inquiries, please contact:

Jessica Davidson
Texas Windstorm Insurance Association
Email: space@twia.org

****NOTE**** Any Addendum that adds new language or replaces any language within this RFP will control over the original version.

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2 GENERAL INFORMATION

2.1 Introduction

The Texas Windstorm Insurance Association (TWIA) is an association of property insurers created pursuant to Chapter 2210 of the Texas Insurance Code. TWIA insures against losses due to windstorm and hail in certain designated areas of Texas. TWIA invites all qualified Respondents to submit proposals in accordance with the requirements outlined in this Request for Proposals (RFP). The purpose of this RFP is to obtain proposals from qualified Respondents for the Project Management services described in this RFP.

This RFP contains the instructions governing the requirements for a proposal to be submitted by interested Respondents, the format in which the proposal is to be submitted and the material to be included in the proposal, the requirements that must be met to be eligible for consideration, the method of selecting a Respondent, and the Selected Respondents duties and responsibilities.

Respondents to this RFP are expected to provide TWIA with information and evidence that will permit awarding a contract in a manner that provides the best value to TWIA. Respondents should include in their written proposal all requirements, terms or conditions they may have, and should not assume that an opportunity exists to add such matters after the proposal submission. Unacceptable terms and conditions added by Respondents may cause TWIA to reject the proposal, despite other factors of the evaluation.

2.2 TWIA Contact Person

The TWIA contact person identified below is the sole point of contact for this RFP. Any and all communications concerning this procurement and the proposals must be submitted by email to:

Jessica Davidson
space@twia.org

Other than the above-named contact person, prospective Contractors or their representatives must not contact TWIA representatives or employees to discuss the contents of this RFP. The restriction shall not, however, preclude discussion between affected parties for the purpose of conducting business unrelated to this procurement.

The contact person at TWIA for day-to-day administration of the contract will be determined upon award. This individual may appoint one or more delegates to assist in the day-to-day administration of the contract and may notify Selected Contractor in writing of those delegates.

2.3 Submission Deadline

Responses to this RFP must be received before the hour and date specified on page 1 of this RFP. Emails submitting late responses will not be opened. Dates of receipt for email responses will be the date shown as received by our system. In no event will TWIA be liable for responses delayed by email systems. Late

responses will not be considered under any circumstances. TWIA reserves the right to evaluate responses submitted prior to the stated deadline as they are received.

To be entitled to consideration, Respondents' proposals must clearly indicate that Respondents have available the necessary qualified personnel, skills, organization, and facilities to fulfill all the services required under this RFP and any resulting contract. Proposals must demonstrate familiarity and experience with the delivery of Project Management services as described in this RFP.

3 DESCRIPTION OF SERVICES/STATEMENT OF WORK

The Texas Windstorm Insurance Association (TWIA) is requesting sealed competitive bids/proposals for the Project Management services described below. Selected Respondent will be responsible for performing all of the services and for complying with all of the requirements of this RFP.

3.1 Project Management Services

The selected Respondent will act as the Project Manager for an office space reconstruction (second generation). The facility being considered is an approximately 31,000 RSF space in Austin, Texas.

The Selected Respondent will provide highly skilled project management services beginning with the planning phase of the project, through the duration of the project, and until successful close out. The role of the selected Respondent is to plan, execute, monitor, control, and close the project according to defined objectives and overall project management best practices, which includes identifying needed project resources, coordinating efforts of team members, and reporting to the executive sponsor to deliver the project on time and within budget. This includes management of project scope, schedule, budget, change control, and issues and risk management. The selected respondent will work collaboratively with the executive sponsor and the TWIA project team to properly define the overall project. Additionally, the selected respondent will be expected to introduce and manage quality control throughout the project's life cycle. Key Services and deliverables include:

3.1.1 Develop, in conjunction with TWIA internal project team, project charter, project plan, refining objectives, scope, assumptions, risks, schedule, success criteria and deliverables.

3.1.2 Ensure on-time, on-budget completion of project and success criteria.

3.1.3 Develop and drive detailed project work plans and milestones.

3.1.4 Provide advice and consultation to executive sponsor and project team about appropriate resources required for the project.

3.1.5 Act as TWIA's project advocate to the extent practicable and at the discretion of the executive sponsor.

3.1.6 Perform issues management and resolve or escalate issues in a timely manner.

3.1.7 Manage scope control and change control activities as necessary.

3.1.8 Monitor risk and advise the executive sponsor as necessary.

3.1.9 Develop and deliver regular project status reports, presentations and related project documentation to the project team and executive sponsor.

TWIA reserves the right to modify, add, and/or remove certain tasks and activities prior to contract execution; or through equitable amendment to the contract, after contract execution.

3.2 Other Goods and Services

TWIA may request the Selected Respondent provide additional services throughout the term of any resulting contract. A contract amendment will be executed to reflect any additions or deletions of the services. Costs for any additional services associated with other miscellaneous or special projects must be negotiated by the parties.

3.3 Procurement Assistance

TWIA will require multiple vendors, consultants, and suppliers throughout the life of the project. The Selected Respondent will prepare and distribute Requests for Proposals and will evaluate proposals for various sub-tasks, likely including, but not limited to, the following:

- Permit/Code/License/Building Council Consultant/Expediter
- Mechanical, Electrical and Plumbing Engineering/Design Services
- Structural Engineering
- Audio Visual Systems Design and Installation
- Information Technology Consultant
- General Contractor/Construction Manager
- Relocation Services vendor to move approximately 100 people from the existing Austin office
- Low Voltage Cable Installers
- Furniture Suppliers, Deliverers and installers
- Signage fabricators/installers

The Selected Respondent will also be expected to assist in preparing a Request for Proposals for Architectural and Interior Design Services, and in evaluating proposals received in response to the RFP.

In addition, the Selected Respondent will advise on tender and procurement strategies and timing of purchases, including identifying long-lead items.

3.4 Project Meetings

The Selected Respondent will assist in the planning of all project meetings, and will draft and issue agendas, co-chair meetings, and prepare and issue meeting minutes and other notes as required. Meetings will be held as follows

- Weekly design meetings (may be conducted virtually, at TWIA's discretion) during the design phase.
- Weekly on-site construction meetings during the construction and FFE phases.
- Weekly TWIA/PM meetings (may be conducted virtually, at TWIA's discretion).
- Periodic tender meetings, which will include walk throughs and other tasks as required

3.5 Status Updates

The Selected Respondent will prepare a detailed and realistic project schedule and endeavor to keep project participants on schedule. The Selected Respondent may rely on the General Contractor to prepare the detailed build out program. The Selected Respondent will update the schedule monthly showing progress, while highlighting upcoming key milestones, missed opportunities and delays. A draft schedule for the project is included as Exhibit C to this RFP.

The Selected Respondent must also be available to participate in discussions by telephone, virtual meeting, or in person regarding the status of the Project Management work and other matters covered under the Contract resulting from this RFP.

3.6 Reporting

The Selected Respondent will prepare the following reports:

- Monthly Budget Report
- Monthly Schedule Update, to extend beyond construction schedule
- Bi-weekly project status report for core team members
- Monthly Executive Report, detailed with photo updates and summaries

3.7 Project Budget & Finances

Selected Respondent will assist TWIA in preparing a preliminary project budget estimate and will update the budget as additional or more fully vetted numbers are developed. During the design phase, the Selected Respondent will assist with obtaining industry pricing information so that TWIA is aware of the cost and value of items included in the design. The Selected Respondent will assist TWIA in value engineering as required. Once the project budget is set, the Selected Respondent will prepare monthly budget updates and tracking reports, including cash flow and accrual information.

Selected Respondent will review all project related payment requests and invoices. TWIA will develop an invoice approval and payment process to ensure timely payment of invoices.

3.8 Contracts & Leasing Documents

Selected Respondent will assist TWIA in contract negotiations to ensure that all contracts, leases, statements of work and other agreements contain the terms that TWIA requires. No contract will be executed without review and approval from the TWIA Legal team. The Selected Respondent will help ensure all contract requirements are being met.

Selected Respondent will also advise and assist TWIA in reviewing Leasing documents and will be responsible for ensuring that all contractors and consultants have been provided with all the building rule documents and that all contractors and consultants comply with building rules.

3.9 Project Close Out

Selected Respondent will be responsible for ensuring that project participants provide the documentation or perform the tasks needed to complete project close out which will include, but are not limited to:

- Certificate of occupancy or completion
- Submittal of as-built documents, O&M manuals and other construction or close-out

documents required by TWIA or the property management.

- Final accounts, waiver release of mechanics liens, etc.
- Department of Buildings, Fire Department and other authorities having jurisdiction final approvals.
- Submittal of all documents to the Landlord and requesting disbursement of the Tenant Improvement Allowance.

3.10 Quality Assurance Review

Selected Respondent must conduct a Quality Assurance review of all work performed under the resulting Contract.

3.11 Compensation

Responses to this RFP must include a description of Respondent's fee based on percentage of managed costs and a detailed explanation and itemization of anticipated managed costs.

4 CONTRACT TERM AND INSURANCE REQUIREMENTS

The Respondent selected to perform the work described in this RFP will be invited to enter into a Contract (the "Contract") with TWIA. Respondents can provide their proposed contract terms and conditions in their proposal; however, TWIA is under no obligation to accept the terms and conditions. The contract will become effective upon execution by both parties.

4.1 Contract Term

The initial term of the Contract will be for a period of ten (10) months, ending December 31, 2022, which may be extended upon the mutual written agreement between the parties to the Contract. Contractor should anticipate, however, that TWIA is hoping to complete the project sooner and the contract may not last the entire ten (10) months.

4.2 Contract Compliance

The Contractor must comply with the following before TWIA will execute any Contract with the firm:

- Be a legal entity that has the authority to transact business in the State of Texas
- Provide insurance documents consistent with the requirements listed below.
- The conditions in this section apply only to the successful respondents and are not a condition to submit a proposal in response to this RFP.

4.3 Insurance Requirements

Prior to execution of the contract, Contractor must furnish TWIA with proof of the following types of insurance:

- Workers' Compensation Insurance in compliance with (Texas Statue Number), which requires subject employers to provide workers' compensation coverage for all their subject workers, unless exempt under (Texas Statue Number).

- Commercial General Liability (CGL) insurance provided on an occurrence basis with a combined single limit of not less than \$1,000,000 each occurrence, \$2,000,000 general aggregate. Contractor shall endorse TWIA as an additional insured on the CGL policy

4.4 Insurance Certificates

As evidence of coverage and prior to execution of the Contract, the Contractor must provide certificates of insurance to listing TWIA as a certificate holder. Insuring companies or entities are subject to TWIA's acceptance and must be licensed to provide insurance in the state of Texas. Contractor's insurance shall be primary insurance, and any commercial insurance or self-insurance maintained by TWIA shall not contribute to it.

4.5 Governing Law

The RFP and any resulting contract and work orders shall be governed, construed, and interpreted in accordance with the laws of the State of Texas (but not rules governing conflicts of law issues).

4.6 Venue

Any action or proceeding related to this RFP and any resulting contract and work orders shall be brought as a separate action in Travis County, Texas and venue is proper in only such county.

4.7 Travel Costs

TWIA will not reimburse travel costs or costs for meals, lodging, or any other out-of-pocket expenses incurred in conducting the work required under any contract resulting from this RFP.

4.8 Standards of Performance

Respondent must meet and comply with the Standards of Performance described in this RFP, including all requirements of the contract and all applicable laws, regulations, standards, and other requirements.

4.9 Public Information Act Disclosures

TWIA is subject to the Texas Public Information Act (PIA), Texas Government Code Chapter 552. The Proposal and other information submitted to TWIA by the Respondent are subject to release as public information by TWIA. The Proposal and other submitted information are presumed subject to disclosure unless a specific exception to disclosure under the PIA applies.

If it is necessary for the Respondent to include proprietary or otherwise confidential information in its Proposal or other submitted information, the Respondent must clearly label that proprietary or confidential information and identify the legal basis for confidentiality. Merely making a blanket claim that the entire Proposal is protected from disclosure because it contains some proprietary information is not acceptable and will make the entire Proposal subject to release under the PIA.

In order to trigger the process of seeking an opinion from the Office of the Attorney General (OAG) on the release of proprietary or confidential information, the specific provisions of the Proposal that are considered by the Respondent to be proprietary or confidential must be clearly labeled as described above.

Any information which is not clearly identified by the Respondent as proprietary or confidential will be deemed subject to disclosure pursuant to the PIA, and Respondent will be deemed to have irrevocably consented to disclosure. Respondent agrees to waive any claim of infringement against TWIA and agrees to indemnify and hold TWIA harmless for any claims regarding the Intellectual Property Rights of Respondent or any third-party for any materials appearing in the Proposal.

4.10 Proprietary Interests and Final Work Product

All work papers, data, materials, testimony, information, and reports developed by Respondent will remain the property of Respondent. Respondent will make working papers available to State insurance regulators pursuant to authority given them by law or regulation. Access to the requested working papers will be provided to the State insurance regulators pursuant to a request under Chapter 401 of the Texas Insurance Code.

4.11 Accuracy of the Proposal and Cost of Submitting the Proposal

Respondent's Proposal must be true and correct and must contain no cause for claim of omission or error.

TWIA will not reimburse the Respondent for any cost related to the preparation or submission of the Proposal. Respondent is responsible for any expense related to the preparation and submission of its Proposal.

4.12 Exception to Provisions

If Respondent takes any exceptions to any provisions of this RFP, these exceptions must be specifically and clearly identified by RFP section in Respondent's Proposal in response to this RFP and provided in the Executive Summary addressed in Section 9.5 or in a spreadsheet submitted as an attachment to the Executive Summary letter.

Any exception included in a Proposal may result in a contract not being awarded to the Respondent. However, if a Respondent includes exceptions in its Proposal, the Respondent shall clearly identify each exception it takes, noting the specific RFP section number, section title, detailed description of the exception taken, and the Respondent' proposed language, in lieu of the language to which exception is taken.

4.13 Responsive Information

The Respondent's Proposal must be responsive to all requirements set forth in this RFP, address how the Respondent shall meet the RFP specifications, and prepared according to the format described in this RFP. All Proposals must provide sufficient information to enable the review committee to evaluate the Respondent's ability to provide the Services described in Part 3, Description of Services/Statement of Work and to comply with any other contractual provisions described in this RFP. Responses that are general in nature and do not address how the Respondent will meet the RFP requirements may be disqualified from further consideration or may receive a lower evaluation score due to poor quality of response

5 RFP SELECTION PROCESS

Email responses to this RFP must be received at TWIA's office before the hour and date specified on page

1 of this RFP. Dates of receipt for email responses will be date shown as received by our system. In no event will TWIA be liable for responses delayed by email systems. TWIA reserves the right to evaluate responses submitted prior to the stated deadline as they are received.

TWIA will conduct a fair, comprehensive, and impartial evaluation of all proposals received in response to this RFP using an evaluation committee comprising of TWIA executive staff and representatives of the space project team, (the “Evaluation Committee”). Each member of the Evaluation Committee will conduct an independent review of each proposal submitted and assign each proposal a score. Each committee member will score the proposal on each major criterion described below. Each Proposal will be evaluated both individually and relative to the Proposals submitted by other Respondents

The scores of all members of the Evaluation Committee will be compiled and an average score established for each Respondent. At the conclusion of the evaluations, TWIA shall determine the number of Respondents with which it may begin contract negotiations. TWIA may enter contract negotiations with one or more Respondents.

The Evaluation Committee may request clarification of information or representations in any proposal before completing the initial evaluation. Requests for clarification and responses to requests for clarification will be in writing and will become part of the evaluation record.

5.1 Written Questions and Official Response

Respondents may submit written questions addressed to the TWIA contact person identified in Section 2.2. All questions must be received, in writing via email, by the TWIA contact person **no later than 5:00 P.M. Central Time on February 4, 2022**. The email subject line must state: Project Manager – Office Space – Questions. Telephone inquiries will not be answered.

Responses to timely submitted questions that are not already addressed in the RFP will be posted on the TWIA website on (TWIA.ORG \ Vendors \ RFQS AND RFPS). Only those questions that are appropriately relevant to the solicitation will receive a response in the Question-and-Answer document.

5.2 Selection of Short List of Respondents

After review of the Proposals and the Evaluation Committee scoring results, the Evaluation Committee may select one or more Respondents for further consideration (“Short List”). TWIA staff will communicate directly with the Respondents who are selected for the Short List.

5.3 Oral Presentations

Respondents identified for the Short List may be asked to make in-person or live video presentations to the Evaluation Committee. These presentations may involve a question-and-answer period.

5.4 Contract Negotiations

TWIA will have the option to negotiate with one or more Respondents, including, but not limited to pricing, services, provisions, terms, and conditions. TWIA reserves the right to continue to negotiate until the point where the best value for TWIA has been determined as achieved.

5.5 Best Value Consideration

TWIA will be the sole judge of best value. Award will be based on best value criteria and may include but is not limited to:

- a) Best meets the goals and objectives as stated in this RFP.
- b) Best meets the quality and reliability of the proposed Services.
- c) Delivery terms.
- d) Other factors relevant to determining the best value for TWIA.

TWIA will terminate the contract negotiations when TWIA, in its sole discretion, determines that the best value for TWIA has been obtained. If the RFP is awarded, TWIA will issue a notice of award to the Selected Respondent. However, there is no guarantee that an award or any contract will result from this solicitation.

6 SCHEDULE OF EVENTS

The time schedule for awarding a contract under this RFP is shown below. TWIA reserves the right to amend the schedule.

Date	Event
January 20, 2022	Issuance of RFP
February 4, 2022	Submission of Written Questions
February 8, 2022	Responses to Written Questions Posted on the TWIA Website
February 11, 2022	Deadline for Submission of Proposals
February 18, 2022	Anticipated Contract Award**
March 4, 2022	Targeted Contract Execution**

Note**: The anticipated Contract award date is a target date, but is not guaranteed, as final contract negotiations with the Respondent will determine when or if the actual Contract award will be made.

7 EVALUATION CRITERIA

TWIA shall award a contract to the Respondent who submits the Proposal determined to be the best value to TWIA and who meets all requirements included in this RFP. The Evaluation Committee will initially evaluate and score Proposals using the evaluation criteria outlined below. The relative weight of each criterion is indicated by the maximum possible number of points indicated in the right-hand column.

Evaluation Criteria	Weight
Overall Experience of Company and Demonstrated Results: Our evaluation will include an assessment of the history of your company, your experience in managing the planning, design and construction of tenant improvements including tenant fit-out, space and occupancy planning, design and construction management, furniture, fixtures and equipment management, centralized project controls and reporting, cost management and benchmarking, relocation and logistics management.	20 points
Qualifications of Personnel: Our evaluation will include an assessment of the qualifications and experience of the project management team, staff and any proposed subcontractors.	15 points
Approach to Meeting Project Time Frame: Overall approach and strategy described in the proposal and firm capacity to perform the engagement within the specified time frame (prior experience of the firm in meeting timelines will be factored in here)	20 points
Budget Approach and Cost Effectiveness: Prior experience demonstrating effective and efficient delivery of quality services in relation to the budget allocation.	20 points
Reasonableness of Costs: Our evaluation is not designed to simply award the contract to the lowest cost vendor. Rather, it is intended to help TWIA select the best combination of attributes, including price, based on the evaluation factors.	25 points
Total Points	100

8 PROPOSAL/RESPONSE FORMAT

8.1 Respondent Documents

All Respondent’s documents that are related to the requested services, this RFP, the Bid Responses, or any resulting contract are collectively referred to in this RFP as “Respondent Documents.” Documents that are not submitted with Respondent’s RFP response will not be accepted or considered part of the response or any resulting contract.

8.2 Proposal Format

Proposals must be provided in electronic form (PDF format) via email to space@twia.org.

All proposals submitted must be organized and arranged to be easily reconciled to the numbered sections of this RFP. All pages must be numbered.

The person signing Respondent's response must show title or authority to bind his or her firm in a contract. Emailed submissions with electronic signatures are acceptable; electronic signatures will be considered original signatures.

Proposals must be concise and clear. The Respondent's Proposal must be responsive to all requirements set forth in this RFP, address how the Respondent shall meet the RFP specifications, and prepared according to the format described in this RFP.

All Proposals must provide sufficient information to enable the Evaluation Committee to evaluate the Respondent's ability to provide the Services described in Part 3, Description of Services/Statement of Work, and to comply with any other contractual provisions described in this RFP.

Responses that are general in nature and do not address how the Respondent will meet the RFP requirements may be disqualified from further consideration or may receive a lower evaluation score due to poor quality of response.

9 RESPONSE DOCUMENTS

The Respondent should provide all information that the Respondent believes would be helpful to TWIA in establishing the Respondent's ability to perform the Services described in this RFP and comply with the requirements of this RFP and any resulting Contract.

9.1 Transmittal Letter

The first page of the proposal must be a Letter of Transmittal that includes the information specified below.

- a) A commitment by the Respondent to provide the services required by TWIA and TFPA in this RFP.
- b) A statement that the proposal is valid for 90 calendar days from the day after the date that the proposals are delivered to TWIA.
- c) A dated signature of a person(s) legally authorized to bind the Respondent to the terms and conditions contained in this RFP and to comply with the information and representations submitted in the proposal. The proposal must state that the signatory is authorized to bind the Respondent to the terms and conditions set forth in this RFP. Proposals submitted without the required signature will be disqualified.
- d) A statement certifying to the completeness, veracity, and accuracy of the information provided in the proposal. By submitting a signed proposal, Respondent agrees that it fully understands this RFP and shall abide by the terms and conditions contained in it. Any exception to the requirements of this RFP must be specifically noted in writing and explained by Respondent in its RFP response as a condition to becoming part of any subsequent contract.
- e) Respondent must list the name, title, phone number, and email addresses of at least two (2) individuals who will be the contact persons for this RFP and who have the authority to respond to questions from TWIA

9.2 Proposal Submission Checklist

The Proposal Submission Checklist is included as **Attachment 1** to this RFP. The checklist is provided to help the Respondent ensure that a proper Proposal is submitted in the required format. Respondent must include the completed checklist as part of the proposal.

9.3 Title Page

The Proposal must contain a title page that includes the following information:

- a) RFP Title,
- b) Respondent's name and address,
- c) Respondent's State of Texas taxpayer number and Federal Employer's Identification Number, and
- d) Respondent's contact name, title, signature, and date.

9.4 Table of Contents

The Proposal must contain a table of contents that clearly identifies and denotes the location of each section and subsection of the Proposal. Additionally, the table of contents must clearly identify and denote the location of all enclosures and attachments to the Proposal, including relevant page numbers.

9.5 Executive Summary

Each Respondent must provide a summary of the services proposed in response to this RFP and the estimated costs.

The Executive Summary must not exceed five pages and should represent a full and concise summary of the contents of the proposal.

The Executive Summary should include, at a minimum, the following:

- a) a brief description of the Respondent's qualifications;
- b) a description of the Respondent's experience with providing the services requested;
- c) a description of the Respondent's understanding of the requirements as outlined in Part 3, Description of Services/Statement of Work;
- d) any exceptions to any provisions of this RFP as described in Section 4.9, and
- e) any additional requirements, terms and conditions, or any documentation unaddressed in the RFP that the Respondent has attached in the Proposal as a material submission to the RFP.

9.6 General Background, Qualifications and Experience of Respondent

This response section details the Respondent's background and experience, including past performance, as it relates to projects similar in scope to the services described in this RFP. The Respondent must demonstrate its ability to perform the services described in the RFP by providing, at a minimum, the information detailed below. This section should include information that addresses the firm and the

team’s experience, reputation, and qualifications in regard to the required services.

This response section must detail the Respondent’s qualifications to respond to this RFP and be considered for an award. To be entitled for consideration, Respondent must have available the required qualified personnel, knowledge, skills, abilities, organization, facilities, materials, supplies, and equipment to fulfill all requirements under this RFP and any resulting Contract.

9.7 Specific Expertise, Experience and Qualifications (Engagements)

Exhibit A, Tab 1 must list representative engagements of comparable complexity and sensitivity to the requirements of this RFP that were similar to the services described in this RFP, or which, though different, require the same general types of resources and skills.

The Response should include information related to the Evaluation Criteria, listed previously. The Response should indicate whether the representative engagements included the proposed team or not.

Each description should be as detailed as necessary to enable TWIA to reasonably assess the relevance and usefulness of such experience. Respondent must give the client organization’s name and describe the service performed; the service’s beginning and ending dates and current status of the client relationship.

9.8 Key Staff Qualifications

Exhibit A, Tab 2 must detail information about the Respondent’s key staff who will provide services under any Contract resulting from this RFP and must detail the role or types of services that each key staff member will provide.

Respondent must include summary background information for each key staff member to be assigned to this project including title; education; training; relevant experience; length of service with the Respondent’s firm; and professional accreditations, certifications, designations, and licenses. Full résumés may be provided but are not required.

9.9 Subcontractors

Respondent must submit a list of subcontractors or potential subcontractors whom Respondent may engage to perform services for the Associations as part of any contract that may result from this RFP.

TWIA reserves the right to request additional information regarding any proposed subcontractor or vendor.

Respondent shall be fully responsible for all its participating subcontractors and vendors and their performance of any duties as part of any contract that may result from this RFP.

9.10 Schedule

Respondent must provide a proposed work plan and estimated timeline for each service or described project. The contractor must confirm in its RFP response that the meeting dates and/or deadlines can be satisfied.

9.11 References

Exhibit A, Tab 3 must provide a minimum of three (3) verifiable references from clients for whom the Respondent has performed comparable services of similar scope and size. Respondent must provide the name, title, telephone number, and email address of the key contact(s) at the client organization.

TWIA may, at their discretion, contact these references to verify the experience or performance of the Respondent. By providing the name of a contact person, Respondent consents to such communication by TWIA.

9.12 Financial Responsibility

Respondent must provide evidence of financial responsibility and stability for performance of the services for which a proposal is submitted. In addition, the Respondent must disclose the source of any outside financial resources that will be utilized by the Respondent to enable it to fulfil any contract awarded pursuant to this RFP.

TWIA reserves the right to require any additional information necessary to determine the financial integrity and responsibility of a Respondent and to reject a response on the grounds of the Respondent's financial soundness.

9.13 Professional Insurance

The Selected Contractor will be required to provide proof of professional liability insurance covering errors and omissions upon entering into a contract with TWIA within 48 hours of the effective date of such contract. By submitting a response to this RFP, Respondent agrees to comply with this requirement.

9.14 Actual or Potential Conflicts of Interest

Exhibit B must provide a statement of any actual conflicts or perceived conflicts of interest for the Respondent, and the Respondent's Employees who will or may provide services under any Contract resulting from this RFP. Failure to disclose all actual conflicts or perceived conflicts of interest may result in disqualification of the Respondents' Proposal or termination of the resulting Contract. Please see the Association **Ethics Policy** at the end of this RFP for a more detailed list of relationships and situations that may be considered a conflict of interest.

If the circumstances certified by Respondent change or additional information is obtained subsequent to submission of the Respondent's Proposal, Respondent shall submit updated information as soon as reasonably possible, upon learning of any change to Respondent's response.

9.15 Cost

Respondent must provide a fee estimate of the managed costs of delivering the services described in the contract and define what those include. The estimate will necessarily include assumptions about the time required to complete the work to the standards specified herein. Responses subject to increases in hourly rates over the contract period will not be considered.

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10 Definitions

The following terms and acronyms have the meanings set forth below for purposes of this RFP. These definitions apply to all parts of this Request for Proposals (RFP).

Definitions	
TERM	DEFINITION
Addendum	An addition, change, or supplement to the solicitation document issued prior to the response due date.
Contract	The written agreement, if any, executed by the authorized representative of the Association and the Respondent that formalizes the terms, provisions, covenants, and obligations, including but not limited to those contained in this RFP, of the respective parties to the arrangement for provision of services.
Contractor	The individual or business entity that has a contract to provide goods or services to the Association. This is used interchangeably with the term “Vendor”.
Employee	The term “Employee” includes any individuals who, on behalf of the Respondent, will or may participate in any Contract resulting from this RFP. The term “Employee” includes all personnel, replacement personnel, agents, contractors, subcontractors, subcontractor employees, and other representatives of the Respondent, regardless of how employed or contracted by Respondent.
Request for Proposal (RFP)	The document so titled and exhibits, attachments, and appendices thereto which constitute the solicitation requesting submittal of a proposal in response to the required scope of services (statement work) and usually includes some form of a Cost Proposal and allows for negotiations between the proposer and the issuing agency.
Respondent	An individual or business entity submitting a proposal in response to this RFP.
Respondent’s Employee(s)/Respondent’s Personnel	Any and/or all of the following, without limitation to: employees, leased employees, agents, officers, directors, staff, independent contractors, contractors, or subcontractors, or any individuals furnished, referred, or provided by the Respondent for the purposes arising out of or related to this RFP, the Respondent’s Proposal, and the contract, if any, that results from the award made by TWIA to the Respondent.

Responsive	Means that a Respondent has complied with all material aspects of the solicitation document, including the submission of all required documents, and within the time frame specified within the solicitation document.
Selected Respondent	The individual or business entity qualified to provide the goods and/or services sought by TWIA pursuant to this RFP and who is ultimately selected to carry out the requirements stipulated in this RFP and any resulting contract.
Vendor	The individual or business entity that has a contract to provide goods or services to the Association. This is used interchangeably with the term “Contractor”.

11 Attachment 1 - PROPOSAL SUBMISSION CHECKLIST

This checklist is provided to help the Respondent ensure that a proper Proposal is submitted in the required format. Respondents must include this completed checklist as the cover page of the entire Proposal.

Order	Proposal Component	RFP Section Reference	Verify Inclusion by Initials
1	Transmittal Letter	Sec. 9.1	
2	Proposal Submission Checklist	Sec. 9.2	
3	Title Page	Sec. 9.3	
4	Table of Contents	Sec. 9.4	
5	Executive Summary	Sec. 9.5	
6	Body of Proposal, including <ul style="list-style-type: none"> • General Background, Qualifications and Experience 	Sec. 9.6	
7	Exhibit A, Tab 1 Specific Expertise - Representative Engagements	Sec. 9.7	
8	Exhibit A, Tab 2 Key Staff Qualifications	Sec. 9.8	
9	Subcontractors	Sec. 9.9	
10	Schedule	Sec. 9.10	
11	Exhibit A, Tab 3 References and Peer Review	Sec. 9.11	
12	Financial Responsibility	Sec 9.12	
13	Professional Insurance	Sec 9.13	
14	Exhibit B Conflicts of Interest	Sec. 9.14	
15	Costs	Sec. 9.15	

 Signature of Representative

 Date

 Printed Name

 Company Name

 Title

12 Ethics Policy

Background

The Texas Windstorm Insurance Association (TWIA) and Texas FAIR Plan Association (TFPA) (the “Association”) are insurance organizations providing essential property insurance products and services to eligible Texas properties when no one else will. In accomplishing this mission, we share a vision to be respected and trusted by our stakeholders. As stewards of the public trust, we adhere to our core values of integrity and accountability, holding ourselves to a high standard of ethics as outlined in this Ethics Policy (the “Policy”).

Applicability

This Policy applies to all individuals serving on the TWIA Board of Directors, the TFPA Governing Committee (together, “board members”) all Association employees and contractors. Collectively, this group shall be known as “individuals subject to this Policy.”

Noncompliance

All individuals subject to this Policy who fail to comply with this Policy will be subject to disciplinary action, up to and including termination of employment or contract. In addition, depending on the nature of the policy violation, an employee may be subject to civil and/or criminal penalties. Board member violations of this Policy will be reported to the Commissioner of Insurance.

Ethical Conduct

Policy Statement

All individuals subject to this Policy are expected to act with integrity and exercise good judgment at all times. This includes conducting personal and financial affairs in an ethical manner so as to avoid actual or perceived conflict between personal interests and the interests of the Association. All persons subject to this policy are expected to communicate professionally when carrying out Association business. The Association is subject to the Public Information Act, under which any member of the public may request records from the Association. This may include but is not limited to, emails, instant messages, handwritten notes, and electronic documents.

It is the policy of the Association that no person subject to this Policy shall permit their private interests to conflict with the proper execution of any of their Association duties and responsibilities; nor shall they use their position, or any knowledge gained therein, in such a manner as to give the appearance of such conflict. Conflicts of interest exist when the actions or activities of an individual subject to this Policy could result in improper personal gain or advantage to the individual or a family member, adverse effect upon the Association’s interests, or improper gain or advantage to a third party.

Applying the Ethics Policy

While this Policy discusses many important issues, it cannot describe all possible scenarios or contain every Association standard. The Association expects you to demonstrate ethical conduct in following both the explicit standards and the general principles of this Policy.

Read the Policy carefully and understand how it applies to you. Situations involving business ethics can be complex. When determining whether a course of action is ethical, you should consider the following questions:

- Is it legal?
- Does it comply with the Association’s Ethics Policy and other Association policies?
- Is it consistent with the Association’s Mission, Vision, Values and Goals?
- How will it affect others, such as the Association, policyholders, coworkers, and the citizens of Texas?
- How will it look to others?
- Would you be comfortable defending this decision to your manager; conversely, would you, as a manager, agree with your employee defending this decision to you?
- Would you be comfortable defending the decision in a public forum, such as in front of a judge, the media, or a legislator?
- Is it the right thing to do?

Ask, Then Act

If you are uncertain about whether an action or decision is ethical, always ask before acting. The Association offers several ways to seek advice regarding ethical issues, including discussing the issue with your supervisor, a Compliance representative, a Human Resources representative, by sending an email to Compliance@twia.org or opening a KACE ticket for Legal / Compliance.

Standards of Ethical Conduct

Individuals subject to this Policy are expected to act fairly, impartially, and in the Association’s best interest in carrying out their job duties. In order to uphold the Association’s high standards of ethics, individuals subject to this Policy must avoid certain behaviors. Prohibiting these behaviors helps the Association avoid both actual conflicts of interest and perceived improprieties.

Individuals subject to this Policy shall not:

1. accept or solicit any gift, favor, or service that the person knows is intended to or could, by reasonable standards influence the person in the performance or nonperformance of their job duties
2. accept other employment or engage in any activity that the person might reasonably expect would require or induce the person to disclose confidential information the person gained through their responsibilities or position within the Association;
3. accept other employment or compensation that could reasonably be expected to impair the person’s independent judgment in the performance of their job;
4. make personal investments that could reasonably be expected to create a substantial conflict between the person’s private interest and the interest of the Association;
5. intentionally or knowingly solicit, accept, or agree to accept any benefit, financial or otherwise, for exercising the person’s authority or performing the person’s job duties in favor of another; or,
6. own personally or by or through a family member any interest in a business that provides services for compensation to either Association, unless that ownership is limited to common

stock available to any member of the public for purchase or the ownership is disclosed, and any deviation of this Policy is waived pursuant to the “Deviation from this Policy” section.

Conflicts of Interest

Background

All persons subject to this Policy must avoid situations that involve, or appear to involve, a conflict of interest. A conflict of interest exists when a person’s relationships or interests outside of the Association affect or could reasonably be expected to affect that person’s business decisions, job performance, or the Association’s interests.

Prohibited Relationships

As detailed in Texas Insurance Code, Section 2210.013, the Association has strict prohibitions against employing persons who are related to each other. Individuals subject to this Policy may not appoint, employ, or contract with any person who is related to themselves or any other board member or employee in connection with the operation or business of either Association. See Appendix D for more details.

Required Relationship Disclosures

One way we demonstrate our integrity is by maintaining an awareness of Association representatives’ relationships with other stakeholders. We can then ensure that we uphold appropriate levels of accountability, impartiality, and fairness. To that end, individuals subject to this Policy must annually disclose the relationships described below by completing the Required Relationship Disclosure Form (Appendix B) and submitting the form to the Compliance Department. Examples of potential conflicts of interest could include:

- Having a relative who works for one of our vendors.
- Having a relative or previous employer who is an insurance agent who writes TWIA/TFPA policies.
- Having a financial interest in a company that is a vendor of the Association.
- Having a previous employer who is one of our vendors.

At the Time of Appointment or Onboarding

At the time an individual subject to this Policy is employed, appointed as a board member, or engaged by the Association, they must disclose the following:

1. any previous, current, or future business or personal relationship between themselves and any third party which has, had, or may have a financial interest in the operations of the Association;
2. any business relationship or transaction the Association has, had, or may have with a third party if the employee, board member, contractor or a family member:
 - a. has, had, or may have a direct or indirect interest; and/or
 - b. derived or may derive a benefit;
3. any business relationship or proposed transaction with any business that employs a family member, if the relationship or transaction may give rise to an actual or perceived conflict of interest; or
4. if an individual subject to this Policy, or an immediate family member is a TWIA or TFPA policyholder.

Ongoing Responsibility

Since relationships form and change over time, any individual subject to this Policy is required to disclose the existence of any of the relationships described in the section above as soon as the individual becomes aware of the relationship. At minimum, all individuals subject to this Policy must complete the Required Relationship Disclosure Form (Appendix B) and submit the form to the Compliance Department annually.

Review of Relationship Disclosures

The Compliance Department will review all required disclosures provided under this Policy, assess any actual or potential conflict of interest and the magnitude of any risk to the Association and determine what conditions and restrictions, if any, should be imposed by the Association to manage, reduce, or eliminate the conflict of interest. The existence and disclosure of a relationship does not mean further action will be required by the Association.

The Compliance Department may, in its discretion, escalate disclosures that warrant further review to the Vice President of Legal and Compliance who may consult with other members of the Executive Leadership Team, including the General Manager. The Compliance Department and appropriate members of the Executive Leadership Team shall evaluate the conflict to determine an appropriate course of action.

Such actions may include but are not limited to: determining that no further action is required seeking an exception; requiring that the conflict be eliminated; or reassigning or terminating individuals if the conflict cannot be otherwise resolved. Any decision by the Compliance Department and members of the Executive Leadership Team regarding a disclosure of a conflict of interest will be documented and maintained as a permanent record by the Compliance Department.

Outside Employment

No individual subject to this Policy shall engage in outside employment or business ventures that interfere or conflict with their duties and/or obligations to the Association.

Gifts

Background

The Association strives to operate transparently and to engage third parties using unbiased, independent decision making. Any form of bribe, kickback, or other benefit offering an unfair advantage is unacceptable. Some third parties may try to use gifts, services, entertainment, favors, mementos, awards, food, or other items of value (“gifts”) to encourage employees and board members to engage in or continue business with the third party. In order to foster a culture of accountability and fairness as it relates to third parties, this Policy limits the value and number of gifts that individuals subject to this Policy may accept and requires the individuals to disclose offers and acceptances of gifts.

Acceptable Gifts and Prohibited Gifts

Individuals subject to this Policy may accept non-cash items of \$50 or less in value, not to exceed \$250 per third party vendor, per calendar year, per recipient. Any offer of any benefit exceeding \$50 shall be rejected.

Individuals subject to this Policy shall not accept, in any amount, a gift in the form of cash, check, loan, gift card, or negotiable instrument.

For Example:

A vendor sends you a \$10 gift certificate. Although the value is under \$50, the gift is a cash equivalent and must be declined and returned to the vendor. The declination must be reported to the Compliance Department.

A policyholder sends you a \$30 box of cookies. The value is under \$50 and the gift is not a cash equivalent so it may be accepted. The acceptance must be reported to the Compliance Department.

The Compliance Department can assist with drafting a letter or email explaining the Association policy on gifts.

Disclosing Gifts

An individual subject to this Policy must disclose the following to the Compliance Department using the Gift Disclosure Form (Appendix C):

1. the acceptance of any gift with value of \$50 or less; and
2. the rejection of a gift that exceeds \$50 or that the individual is otherwise prohibited from accepting.

These disclosures must be made within 30 days of the action described in this section. Disclosures may be submitted electronically to the Compliance Department who maintain a record of all disclosure forms.

Exceptions

An individual subject to this Policy may accept gifts in the following scenarios:

Business Courtesies. Individuals subject to this Policy may accept items of business courtesy, i.e., items with little intrinsic value which are intended solely for presentation or advertisement, such as pens, plaques, certificates, trophies, greeting cards, and small promotional items commonly distributed to the general public. These items are exempted from the reporting requirement in this section, so long as they are:

- of nominal value;
- offered to all who are similarly situated (e.g., all conference attendees or all employees on a team)
- not tied to any expectations for reciprocal gifts or favors of any kind;
- offered infrequently; and

- not always offered to or by the same person or organization.

Individuals subject to this Policy do not need to disclose acceptance of gifts that fall under the above exception.

Conferences and Other Business Events. Notwithstanding the dollar amount threshold described above, individuals subject to this Policy may accept the waiver or reduction of fees associated with attendance at a conference, seminar, training, or other business event, including any meals and expenses that would otherwise be included in the registration fee itself and available to all event attendees, if: (1) attendance is of reasonable business benefit to the Association; (2) the individual's manager provides written preapproval to attend the event; and (3) acceptance of the waiver and attendance at the event is otherwise in accordance with this Ethics Policy, the Training Policy, and the Travel and Travel Expense Reimbursement Policy.

Independent Relationships. Individuals subject to this Policy may accept a benefit from a person with whom they have a relationship independent of their employment status, such as a friend or relative, if the benefit is given on account of that independent relationship rather than any employment status with the Association. These instances do not need to be reported to the Compliance Department.

Additional Exceptions. There may be additional circumstances in which acceptance of a gift from a third party is of reasonable business benefit to the Association and does not involve undue risk of fraud, partiality, or improper advantage. Any such circumstance must be evaluated and approved in writing in advance by the General Manager. If the General Manager seeks approval of such a benefit, the request will be evaluated by the Vice President of Legal and Compliance. Any decision regarding an exception to this section will be documented and maintained as a permanent record by the Compliance Department. Exceptions approved for the General Manager will be reported to the TWIA Board of Directors and/or the TFWA Governing Committee, as applicable, within 30 days of approval.

Application to Family Members

Any offers or provision of gifts to an immediate family member of an individual subject to this Policy will be construed as offering or providing an item directly to the individual covered by this Policy. The covered individual must report any offer to provide a gift to an immediate family member in the same manner as if the individual had received the offer themselves.

Self-Dealing

An individual subject to this Policy may not enter into the following business dealings:

1. Representing the Association in any activity requiring his or her judgment or discretion that affects a person or entity with which they have a material family, financial, or other relationship;
2. Representing another company or person in a transaction with the Association; or,
3. Using Association property, corporate time, or confidential information for personal gain. For example, an employee who is using Association resources or time to operate a side business.

Reporting Improper Activity

Required Reporting

All individuals subject to this Policy who reasonably suspect that a fraudulent insurance act has been or is about to be committed by an employee, contractor, board member, vendor, insured or third party must, within 30 days of discovering the conduct, report the conduct and identity of the person engaging in the conduct to the Texas Department of Insurance and may report the conduct and the identity of the person engaging in the conduct to other relevant authorized governmental agencies.

Reporting Resources

For any questions on fraud reporting, please contact the Compliance Department, refer to the Association Fraud Reporting Procedures available on the Employee Reference Drive, and refer to the Association Suspected Insurance Fraud Referral Form and accompanying Comprehensive Fraud Reporting guidelines.

In addition, if any individual subject to this Policy at any time believes that they, or any other Association officer, employee, contractor, or board member, might be engaged in improper activities, the individual must immediately report the activities to the Compliance Department, their manager, the Vice President of Human Resources and Administration or the General Manager. Improper activities include but are not limited to: removing or copying business records without express approval; possible criminal activity; improper use of Association equipment or other resources; or any violations of Association policies.

Anyone who does not want to report the activities to the Compliance Department, their manager, the Vice President of Human Resources and Administration, or the General Manager may instead anonymously disclose any improper activities described by this Policy through the Association's Whistleblower Resources (see Appendix E).

Compliance with Other Laws and Regulations

Every individual subject to this Policy is required to comply with all applicable laws and regulations when conducting any Association business. Any questions about the legality of an existing or anticipated course of action shall be brought to the Vice President of Legal and Compliance or the Compliance Department. This section does not attempt to address all conduct that may constitute a violation of law, but in no event shall any individual subject to this Policy:

1. Steal, embezzle, or misapply funds or assets of the Association, or their customers or vendors;
2. Obtain unauthorized access to policyholder records or confidential information;
3. Improperly disclose policyholder records or confidential information;
4. Make false reports to government officials or regulatory agencies;
5. Assist criminals to avoid detection, capture, or punishment, knowing that a criminal offense has been committed;
6. Engage or abet in any criminal activity, including insurance fraud;
7. Gain unauthorized access to the Association's information or computer systems;
8. Fraudulently request, obtain, disclose, or cause to be disclosed any customer information to a third party for any purpose not permitted by law or Association policy;
9. Use threats or physical force against another person; or
10. Engage in any form of harassment or unfair discrimination.

Annual Statement of Compliance

All individuals subject to this Policy shall review the Ethics Policy and electronically acknowledge their responsibility to abide by its terms upon onboarding and annually thereafter. Individuals unable to acknowledge the Policy electronically must email the Annual Certification (Appendix A) to the Compliance Department. All individuals subject to this Policy shall also complete the Required Relationship Disclosure Form (Appendix B) and submit the form to the Compliance Department annually.

The requirements of this Policy may only be waived by a majority vote by the TWIA Board of Directors, the TFPA Governing Committee, or either Association’s Executive Committee. This action should be documented with the applicable reason or basis for deviation from this Policy and placed within the minutes for that meeting. This Policy may only be amended in accordance with the procedures outlined in the Association’s Policy Management Protocol.

Authority: The Ethics Policy has been approved by the General Manager, Texas Windstorm Insurance Association Board of Directors, and Texas FAIR Plan Association Governing Committee.

Summary: The Policy requires employees, contractors and board members to act with integrity and good judgment, avoid conflicts of interest, and adhere to both the explicit standards and general principles of the Policy. The Policy also requires the disclosure of certain relationships and the offer or acceptance of certain gifts. These standards and disclosures are in line with our core values of accountability and integrity and allow us to execute our vision to be respected and trusted by our stakeholders.

Reporting Misconduct: If any individual subject to this Policy believes at any time that someone might be engaged in prohibited activities described in the Policy, the employee, contractor or board member must immediately report the activities to the Compliance Department or authorized governmental agency as appropriate under fraud reporting requirements. Alternatively, a person can report the activities through the Association’s Whistleblower Resources (see Appendix E).

Certification

I have read the Association Ethics Policy and agree to abide by its terms. By my signature below, I certify that I know of no circumstance or conduct, whether involving me or any other board member, employee, or contractor that violates the Ethics Policy or that is required by the Ethics Policy to be reported. I certify that I have disclosed all business and personal relationships requiring such disclosure by this Ethics Policy.

Signature _____ Printed Name _____

Date _____ Department _____

The Association Ethics Policy requires the disclosure of certain relationships. This disclosure is required at the time of onboarding and annually thereafter. This disclosure should be updated when you become aware of any relationship requiring disclosure. At minimum, all individuals subject to this Policy must complete this form and submit the form to the Compliance Department annually.

Please read the list below and confirm whether you have relationships to disclose:

1. any previous, current, or future business or personal relationship between you or any member of your family and any third party who has, had, or may have a financial interest in the operations of the Association;
2. any business relationship or proposed transaction the Association has, had, or may have with a third party in which or from which you or a family member:
 - a. has, had, or may have a direct or indirect interest; and/or
 - b. derived or may derive a benefit; and
3. any business relationship or proposed transaction with any business where a family member is employed, if the relationship or transaction may give rise to an actual or perceived conflict of interest.
4. if you, or an immediate family member is a TWIA or TFPA policyholder

If you have no relationships to disclose, please sign below:

By my signature below, I state that I have received and read the Ethics Policy. My signature below confirms my acknowledgement of the Policy and its relationship disclosure requirements, and it constitutes my certification that I am not aware of any conflict or potential conflict covered by the Policy that is not disclosed on this form or its attachments.

Signature _____ Printed Name _____

Date _____ Department _____

If you have relationships to disclose, please provide the information below:

Entity or Individual Name	Nature of Relationship (Personal, Business, Previous Employer, Policy Number)

If you have additional information to disclose, please attach a separate sheet of paper to this document with that information.

By my signature below, I state that I have received and read the Ethics Policy. My signature below confirms my acknowledgement of the Policy and its relationship disclosure requirements, and it constitutes my certification that I am not aware of any additional conflict or potential conflict covered by the Policy that is not disclosed on this form or its attachments.

Signature _____ Printed Name _____

Date _____ Department _____

If you have previously made a relationship disclosure and have no changes to make, please read and sign below:

By my signature below, I state that I have received and read the Ethics Policy. My signature below confirms my acknowledgement of the Policy and its relationship disclosure requirements, and it constitutes my certification that I have reviewed my previous relationship disclosures and I have no other conflicts or potential conflicts covered by the Policy.

Signature _____ Printed Name _____

Date _____ Department _____

Gift Disclosure Form

Return completed forms to the Compliance Department in person or via Compliance@twia.org.

Association Employee Name:

Date:

Accepting Gifts of \$50 or Less

Gift (services, entertainment, favors, mementos, awards, food, or other items of value) of \$50 or less in value, not to exceed \$250 per vendor per calendar year per recipient, may be accepted and must be disclosed. Note that gifts of \$50 or less in value that are rejected do not need to be disclosed.

Date:

Gift Description:

Approximate Value:

Name of Individual(s) Providing Gift:

Entity Associated with Individual(s):

Rejecting and Disclosing Gifts Exceeding \$50 or of Monetary Value

Gifts of more than \$50 must be rejected; additionally, the following must be rejected and disclosed: any gifts presented to you that are more than \$50 in value, and any gift of any value in the form of cash, checks, loans, gift cards or negotiable instruments.

Date:

Gift Description:

Approximate Value:

Name of Individual(s) Providing Gift:

Entity Associated with Individual(s):

Prohibited Relationships

As described in the Ethics Policy, the Association generally cannot employ relatives. Board members and employees must not appoint, employ, or contract with any person who is related to themselves or any

other board member or employee in connection with the operation or business of either Association, if the person is to be directly or indirectly compensated from funds of either Association, and if the relationship is within the degree described by Section 573.002, Government Code.

While the prohibited relationships are described in further detail below, generally, the Association cannot appoint, employ, or contract with the following relatives of individuals subject to this policy: parents, grandparents, aunts, great aunts, uncles, great uncles, first or second cousins, nieces, nephews, grand nieces, or grand nephews. This applies to relatives by blood, adoption, and marriage.

The degrees of relationship described by Section 573.002 are those within the third degree by consanguinity or within the second degree by affinity.

Two individuals are related to each other by consanguinity if:

1. one is a descendant of the other; or
2. they share a common ancestor.

An adopted child is considered to be a child of the adoptive parent for this purpose. Two individuals are related to each other by affinity if:

1. they are married to each other; or
2. the spouse of one of the individuals is related by consanguinity to the other individual.

The ending of a marriage by divorce or the death of a spouse ends relationships by affinity created by that marriage unless a child of that marriage is living, in which case the marriage is considered to continue as long as a child of that marriage lives.

Consanguinity and Affinity Relationship Chart²

Officer or Employee					
Consanguinity (Includes individuals related by blood to the Officer or Employee)			Affinity (Includes the Officer's or Employee's Spouse and individuals related to the Spouse)		
First Degree	Second Degree	Third Degree	First Degree	Second Degree	Third Degree
Father or Mother	Grandparents	Great Grandparents	Spouse	Grandparents	Great Grandparents
Son or Daughter (& Spouse)	Grandchildren (& Spouse)	Great Grandchildren (& Spouse)	Father or Mother	Grandchildren	Great Grandchildren
	Uncle or Aunt (& Spouse)	Great Uncle or Aunt (& Spouse)	Son or Daughter	Uncle or Aunt	Great Uncle or Aunt

	First Cousin (& Spouse)	Children of Great Uncle or Aunt (& Spouse)		First Cousin	Children of Great Uncle or Aunt
	Nephew or Niece (& Spouse)	Second Cousin (& Spouse)		Nephew or Niece	Second Cousin
	Brother or Sister (& Spouse)	Children of First Cousin (& Spouse)		Brother or Sister	Children of First Cousin
		Grand Nephew or Niece (& Spouse)			Grand Nephew or Niece

²Source – Texas State, Finance and Support Services Division, Human Resources.

A board member or employee is the starting point from which all degrees of relationship are calculated.

Under the Degrees of Consanguinity, where Spouse is indicated, the relationship of the spouse is in the same degree as that of the person related by consanguinity, but the spouse is related only by affinity.

Although the same statutory language does not exist for TFPA under Chapter 2211, these standards will be applied in any TFPA operations or procedures.

Any employee who violates these requirements is subject to termination by TWIA or TFPA. In addition, a person who violates these requirements may be subject to any applicable civil or criminal penalty if the violation also constitutes a violation of any statute or rule. Any board member or governing committee member who violates these requirements will be reported to the Commissioner of Insurance and may be subject to removal by the Commissioner of Insurance pursuant to Chapters 2210 and 2211, Texas Insurance Code as applicable.

Whistleblower Resources

All employees and board members, including interns and part time, temporary and contract employees can anonymously report ethics and compliance related concerns.

First and foremost, the Association encourages you to speak to your manager when you encounter a problem or circumstance that requires intervention in order to reach a resolution. However, if an incident or situation arises that you feel you cannot report to your supervisor, Compliance Department, or Human Resources Department, an external system is provided to give an alternative reporting source.

Please note that the information provided by you may be the basis of an internal and/or external investigation and your anonymity will be protected to the extent possible by law. Reports are submitted by our service provider, Lighthouse Services, to the Association’s designee for investigation according to our company policies. While your identity may become known during the course of the investigation because of the information you have provided, the Association will not tolerate retaliation against good faith reporters.

Lighthouse Services’ toll-free number and other methods of reporting are available 24 hours a day, 7 days a week for use by employees and staff.

- **Telephone:** English – (877) 472-2110 Spanish – (800) 216-1288
- **Website:** Lighthouse Homepage: www.lighthouse-services.com/TWIA (Click “Submit Incident Report”)
- **Email:** reports@lighthouse-services.com (must include company name with report)
- **Fax:** (215) 689-3885 (must include company name with report)