

TAHU Honorees Corporation

POLICY AND PROCEDURE

POLICY TITLE: Allocation of Expenses

DRAFTED BY: Bob Lay

DATE SUBMITTED: April 25, 2003

APPROVED x 04/24/05 REVISED \_\_\_\_\_ NOT APPROVED \_\_\_\_\_

PURPOSE: To create guidelines for allocation of the Corporation's operating expenses among the various designated and undesignated accounts.

POLICY: Operating expenses shall be allocated among the Corporations various accounts based each fund's percentage of the total funds held by the Corporation. Any undesignated funds held by the Corporation will also be included the calculation and debiting of the allocation. Any expenses directly related to one particular scholarship or charitable initiative under the Corporation's oversight will be charged to that particular account's balance.

PROCEDURE: The Executive Director or Treasurer will provide monitoring of this allocation with final approval by the Board of the Corporation at their next regularly scheduled meeting. The proportionate percentage should be calculated no less than twice per fiscal year.

TAHU Honorees Corporation

POLICY AND PROCEDURE

POLICY TITLE: Composition of Committee/Designated Charity Committee

DRAFTED BY: Bob Lay

DATE SUBMITTED: April 2005

APPROVED x 04/24/05

REVISED X

NOT APPROVED \_\_\_\_\_

PURPOSE: To create guidelines for the composition of the committee that oversees the management of the scholarship and charitable distributions.

POLICY: The committee shall consist of at least one member of the Board of the Corporation and as many other members that the Board deems appropriate to appoint. In addition, the committee shall have one member from each funding entity if so desired by that entity. There is no requirement for the funding entity to provide a committee member.

The committee members are only members of the discussed committee and not members of the Corporation's Board unless nominated by the TAHU Executive Committee for the position of Director of the Corporation and approved by the TAHU Board of Directors.

Remember that the establishment of a scholarship or charitable award may carry with that formation the guidelines for the award of the scholarship or charitable grant. The committee member from the funding entity is on the committee to represent the interests of the funding entity but may not change the award provisions contained in the establishment of the scholarship or charity without the express written direction of the funding entity and acceptance by the Corporation.

Neither the committee, nor the Corporation, nor the entity can change the award provisions contained in the scholarships funding to the award provision, without express written direction of the funding entity and acceptance by the Corporation. If no funding entity exists, then the responsibility defaults to the direction of the Corporation.

PROCEDURE: At the beginning of each fiscal year the Board of the Corporation will review the appointees of the Committee and make any changes deemed appropriate. The Committee will then notify each funding entity that the opportunity exists to change or initially appoint a representative.

TAHU Honorees Corporation

POLICY AND PROCEDURE

POLICY TITLE: Allocation of Undesignated Funds and Receipts

DRAFTED BY: Bob Lay

DATE SUBMITTED: April 25, 2003

APPROVED x 04/24/05

REVISED \_\_\_\_\_

NOT APPROVED \_\_\_\_\_

PURPOSE: To create guidelines for allocation of the Corporation's undesignated funds among the various designated and undesignated accounts.

POLICY: If the Board of the Corporation decides to allocate any current or future undesignated funds currently held or received in the future, such undesignated funds shall be allocated among the Corporation's various accounts based on each fund's percentage of the total funds held by the Corporation.

PROCEDURE: The Executive Director or Treasurer will provide monitoring of this allocation with final approval by the Board of the Corporation at their next regularly scheduled meeting. The proportionate percentage should be calculated no less than twice per fiscal year.

TAHU Honorees Corporation

POLICY AND PROCEDURE

POLICY TITLE: Minimum Funding of Scholarships and Other Charitable Initiatives

DRAFTED BY: Bob Lay

DATE SUBMITTED: April 05, 2005

APPROVED   x 04/24/05  

REVISED   x  

NOT APPROVED           

PURPOSE: To create guidelines for the minimum funding of established scholarships and other charitable initiatives.

POLICY: In order to insure the viability and endowment of any particular scholarship or other charitable initiative, each such fund shall have to attain a minimum balance within a set period of time. By establishing a minimum, the principal of the funds for any particular scholarship or charitable initiative will be able to generate enough annual revenue to pay that fund's proportionate share of the Corporation's operating expenses as well as provide funds to the annual recipient of the fund's award.

Minimum Endowment Balance Shall Be \$5,000 within a five (5) year period from inception. No funds will be awarded in scholarships or other charitable awards until the designated scholarship or charitable initiative has attained a balance of at least \$5,000.

The Corporation will not accept any Scholarship program or other charitable initiative without a letter of intent from the persons wishing to establish such scholarship or charitable initiative that states that they intend to reach the minimum balance within the allotted period of time. If the required balance is not reached within the allotted period of time, the Corporation shall contact the persons who set up the scholarship or charitable initiative to discuss options. These options may include, but not be limited to, an extension of time, termination and distribution of the principal and accumulated interest to acceptable scholarships or charities or a proportionate distribution of the funds among the Corporation's other scholarships or charitable initiatives. Each of these options will have to be explored in regards to the legal and tax ramifications.

PROCEDURE: The Board of Directors of the Corporation and the Executive Director will monitor the balances in the various Scholarship program and other charitable initiative funds. The goal is to make sure that all initiatives under the Corporation's oversight are above the minimum within the allotted timeframe.

## Statement of Establishment of Charitable Initiative

The undersigned desire to create:

\_\_\_\_\_ ,

a charitable initiative of the TAHU Honoree Corporation.

The purpose of the aforementioned initiative is \_\_\_\_\_

\_\_\_\_\_.

Funding:

It is understood by the undersigned that a minimum of \$5,000 will be raised within five years from the acceptance of this initiative.

If the minimum funds are not raised within the stated period of time, the TAHU Honoree Corporation and the undersigned will mutually decide as to what course of action should be pursued. The options may be, but not limited to, an extension of time, payment of the principal to the stated charitable recipient, payment to another qualified recipient or a distribution of the funds among the remainder of the TAHU Honoree Corporation's funds. Without a mutual decision, the total funds raised should be immediately given to the above stated charitable recipient.

The funds will endow the initiative.

Earnings from designated funds will first cover the stated initiative's percentage of the TAHU Honoree Corporation's operating expenses. After expenses, ----% of the remaining earnings will be paid to the stated charitable initiative. If the percentage is less than 100% of the net earnings allocated to the stated initiative, the remainder will be allocated back to the stated initiative's principal to provide growth to that principal.

Signed:

\_\_\_\_\_

\_\_\_\_\_

TAHU Honorees Corporation  
POLICY AND PROCEDURE

POLICY TITLE: Establishment of Hollis Roberson Memorial Scholarship

DRAFTED BY: Robert M. Lay

DATE SUBMITTED: September 18, 2007

APPROVED 01/29/08

REVISED \_\_\_\_\_

NOT APPROVED \_\_\_\_\_

PURPOSE: To create guidelines for the establishment and operation of the  
.Hollis Roberson Memorial Scholarship.

POLICY: The Board has accepted and reviewed the request to establish the Hollis  
Roberson Memorial Scholarship:

The intent of the scholarship is to reward TAHU members who have earned a  
qualified insurance industry designation in the previous year.

Only earnings from the principal balance will be used for the scholarship(s).

It is not mandatory that 100% of the earnings be used each year. The Board of  
the Corporation may decide to only award a percentage of the earnings with the  
remainder of the earnings being returned to the principal to provide for future  
earnings growth.

The scholarship committee designated to oversee the Hollis Roberson Memorial  
Scholarship will work with the Hollis Roberson Committee in determining the  
scholarship recipient, the amount of the award and the method by which the  
award is given.

A statement of intent acknowledges that the Hollis Roberson Memorial  
Scholarship will pay its prorated share of the Corporation's operating expenses.

TAHU Honoree Corporation  
POLICY AND PROCEDURE

POLICY TITLE: Establishment of Carnall's Kids Fund

DRAFTED BY: Robert M. Lay

DATE SUBMITTED: September 18, 2007

APPROVED 01/29/08

REVISED \_\_\_\_\_

NOT APPROVED \_\_\_\_\_

PURPOSE: To create guidelines for the establishment and operation of the Carnall's Kids Fund.

POLICY: The Board has accepted and reviewed the request to establish the Carnall's Kids Fund

The intent of the scholarship is to assist secondary school students (*in Mexico*) to pay for uniforms, school shoes, school supplies and various fees throughout the year.

The funds for the endowment of the scholarships have been partially raised. Additional funds will be received from time to time.

New funds raised for the fund will be split 50% for immediate scholarship needs and 50% for future endowment. If the 50% of the new funds allocated for immediate use and the earnings from endowment are in excess of the needs for the current year, all excess funds will be put in the endowment for the future use of the Carnall's Kids Fund.

Donors may designate their donations to go entirely into the endowment.

It is not mandatory that 100% of the earnings be used each year. The Board of the Corporation may decide to only award a percentage of the earnings with the remainder of the earnings being returned to the principal to provide for future earnings growth.

The scholarships are awarded to children from large families with low income. These children would not otherwise be able to attend school.

A statement of intent acknowledges that the Carnall's Kids Fund will pay its prorated share of the Corporation's operating expenses.

TAHU Honoree Corporation

POLICY AND PROCEDURE

POLICY TITLE: Establishment of Ken Martin Scholarship Fund

DRAFTED BY: Robert M. Lay

DATE SUBMITTED: September 18, 2007

APPROVED 01/29/08

REVISED \_\_\_\_\_

NOT APPROVED \_\_\_\_\_

PURPOSE: To create guidelines for the establishment and operation of the Ken Martin Scholarship Fund.

POLICY: The Board has accepted and reviewed the request to establish the Ken Martin Scholarship Fund:

The intent of the scholarship is to assist college students at an accredited college or university in pursuing a major in journalism or the communications arena

The funds for the endowment of the scholarship have been raised. Additional funds will be received from time to time. Only earnings from the principal balance will be used for one or more scholarships each school year.

It is not mandatory that 100% of the earnings be used each year. The Board of the Corporation may decide to only award a percentage of the earnings with the remainder of the earnings being returned to the principal to provide future earnings growth.

A statement of intent acknowledges that the Ken Martin Scholarship Fund will pay its prorated share of the Corporation's operating expenses.



TAHU Honoree Corporation

Policy and Procedure

POLICY TITLE: Establishment of the TAHU Disaster Relief Fund

DRAFTED BY: Colleen Pruitt

DATE SUBMITTED: September 25, 2008

APPROVED\_\_09/29/08\_\_\_\_\_REVISED\_\_10/22/08\_\_\_\_NOT APPROVED\_\_\_\_\_

PURPOSE: To create guidelines for the establishment and operation of the TAHU Disaster Relief Fund

POLICY: The board has accepted and reviewed the request to establish the TAHU Disaster Relief Fund. In order to establish and maintain the fund, the minimum endowment balance of \$5,000 will be waived.

The intent of this fund is to assist NAHU members that have been affected by a natural disaster (hurricane, tornado, flood, etc.) that has created a hardship due to the loss of their business, home or other personal property.

Funds for this relief fund will be raised as needed by donations from members of TAHU/NAHU. Funds from this fund will be disbursed according to guidelines established by the Honorees Corporation Board. Funds not disbursed will be held in the Disaster Relief Fund for future use as needed.

A statement of intent acknowledges that the Disaster Relief Fund will pay its prorated share of the Corporation's operating expenses.

TAHU Honorees Corporation

POLICY AND PROCEDURE

POLICY TITLE: Establishment of the "**Hollis Roberson Scholarship for Emerging Insurance Professionals**"

DRAFTED BY: Colleen Pruitt

DATE SUBMITTED: August 21, 2009

APPROVED 10/12/09 REVISED \_\_\_\_\_ NOT APPROVED \_\_\_\_\_

PURPOSE: To create guidelines for the establishment and operation of the Hollis Roberson Emerging Insurance Professionals Scholarship.

POLICY: The board has accepted and reviewed the request to establish the Hollis Roberson Emerging Insurance Professionals Scholarship:

1. The intent of the scholarship is to promote the health insurance industry as a career choice.
2. Annual scholarships shall be given, if funds are available, in increments of \$1000 annually for college or matching cost of class up to \$1000 for trade schools specializing in insurance licensing (less any reimbursement or payment by other sources). Trade school insurance licensing class(es) will be limited to General Lines Life and Health.
3. College scholarship applicants must be junior year or higher and majoring in an insurance course of study.
4. Current GPA's will be required by all applicants.
5. Applicants may apply and be awarded more than one time.
6. Final approval of the scholarship recipient will be determined by the Hollis Roberson Committee.
7. The Hollis Roberson Committee along with the Honorees Corporation will market the funding of the scholarship.

8. The scholarship fund will never fall below \$10,000. The goal of funding the scholarship will be to endow, but will not discourage the giving of such scholarships until an endowment is met.
9. A statement of intent acknowledges that the Hollis Roberson Emerging Insurance Professionals Scholarship will pay its prorated share of the Corporation's operating expenses.
10. Other criteria may be determined by the Honorees Scholarship Committee with final approval by the Hollis Roberson Committee.