



Feb 27th 2018

Dear Member – **IMPORTANT PLEASE READ!**

Your Board has had to make some momentous decisions in the past week. We believe it is important that we provide you with the reasons behind these decisions.

The unprecedented events of recent weeks, in particular the public and emotionally motivated and occasionally highly destructive comments on social media have caused your Board to review and consider not only their positions, but also the position of the entire National Office staff and indeed the future of the AIPP.

The unrest has had an immediate effect on membership renewals and event bookings. Many long-standing members have withheld their membership renewals, questioning whether they can be part of such an organisation. The continuing viability of the AIPP depends on membership income. This drop in income has caused your Board to review and reassess the financial position of the Institute.

Amongst all this unrest, the first thing we ask that you remember is that we, your Board, are a voluntary board, made up of elected and co-opted members, drawing on a diversity of experience, gender and culture; we are photographers and members just like you! Secondly, as Directors, we are privy to much more information than the average member; industry reports, trend analysis, financial projections, forecasts, statistical analysis, and of course, member feedback. We take our decisions very seriously and ONLY after taking account of ALL the information available to us... including many of those comments expressed on Social Media.

Individual Board members have also reached out to influential members, past leaders, trade partners and non-members for a broad understanding of the emergence of so much public anguish. Some of the anger comes from personal agendas or past grievances. Most of it comes from a deeply felt love of all that is good in the AIPP, and how, for many, they see the things that they most loved and valued from the AIPP in the past somehow not present today.

Any decision we make is a result of many hours of discussion and open debate - that is why we are here. Over the past weeks, your Board has spent countless hours debating these issues, including written communications, on-line forums and video/audio conference calls.

The Board has met In-Camera (without management present). The Board has also met with the EO in the normal course of business. Yes, we have been listening! But unfortunately, as we have deliberated, the public debate by a vocal minority of members and non-members has taken its toll on our financial position.

The decision we are about to communicate to you is one such example of significant and impactful deliberation.



The cash position of the Institute has dropped sharply over a six-week period, mostly in the last four weeks. Consequently, we have had to reassess how we view our financial position and take into account contingent liabilities that a business or association does not normally bring to account. The consequence of member non-renewal has changed a financially strong organisation with some recent deficits in to one where another view must be taken. Is the AIPP a going concern in a legal sense?

Shortfall in income and bringing to account contingent liability exposure has adversely changed the financial position of the Institute by nearly \$400,000 from the cash flow projections of just six weeks ago.

Your Board, - Vittorio, David, Nick, Kylie, Melinda, John, Paul and Louise, are Directors of a Company. We have to act not only in the best interest of our members, stakeholders and the industry as a whole, as laid out in our Constitution and objects of Association, but in accordance with our legal, fiduciary and moral duties as Directors. We must also have regard for the reputational risk to the Institute of allowing continued public outbursts.

As unpaid volunteers we cannot manage the complex affairs of today's Institute on our own. For that reason we employ a small and very dedicated team of professionals in the National Office. But those operating costs, taking regard to the dramatically lower rate of new membership and renewals, required us to add complete restructure costs into our thinking.

The Board has resolved to close the National Office and downscale all planned activities to allow for a new way of thinking. In acting the Board had to place first and foremost their directors' duties to meet ALL obligations as they fall due, including the contingent liabilities. Equally, the board had to take account of the need to ensure a "safe environment" for its staff, a requirement that could not be guaranteed as a result of the negative impact on the staff of the comments and unrest.

Also, as a result of the attacks endured both personally and as Directors, this Board also believes that it cannot take the Institute forward. Your Board has therefore agreed to resign and make all positions vacant, ready for new elections. Four have resigned effective immediately. Four have agreed, hesitantly and very late in our discussions, to remain, but only in caretaker mode. They will be taking no new decisions and will simply approve payments, oversee new elections, which are duly carried out by the Company Secretary, and they will assist in the communication of these significant and profoundly troubling matters. As a Board we are collectively no longer prepared to subject ourselves to the unpleasant, careless and hateful words that have consequences well beyond some people's imaginings. We wish to thank wholeheartedly those members who have been supportive of this Board and previous Boards as they sought to address the changing face of our industry, the Profession and the Institute.

Our priority has been to conserve as much cash for a future AIPP Board as possible, and to recognise our obligations to our sponsors who make much of what we enjoy in the AIPP possible. This major destruction of value is a direct consequence of the actions of members, past Board decisions and decisions of today's Board.



Despite perceptions to the contrary, our management simply carry out the directions issued by the Board.

On Friday last week we cancelled our national conference, Lenscape.

All attendees who have bought tickets will have their ticket costs refunded. If you have also bought and paid for non-refundable airfares and accommodation solely for the conference dates, we will refund those fees in coming weeks.

Peter Myers, in his position as our Company Secretary, has been made redundant, along with the rest of the National Office team, Randal, Wendy, Kristy, Kashifa, Richard, our newly-appointed communications manager, and of course Kim, who is currently on maternity leave. Peter has graciously agreed to work out his notice period to oversee the process of electing a new Board and to carry out the role of "Returning Officer", and will remain until a new Board so determines within that period of Notice.

Your State Awards can and will continue as planned. However this will be, after 31st March, without the assistance and infrastructure of National Office and will therefore require a high dependency on your State Council and other volunteers. They will need your help and support now, more than ever. As a courtesy to them they were advised of these decisions yesterday.

The decision on APPA 2018 will be a decision for your new Board, and hopefully from positive renewed support from our sponsors. Remember – without them we would not have these incredible Awards.

It is the wish of every Board member and every member of the National office that the AIPP, our Institute, should continue and progress, in a unified direction that the majority of members desire, but without the dissent and disharmony so evident recently.

We sincerely hope these decisions will allow a future board to achieve that wish.

In the event that a new Board quorum is not formed, and in line with Constitution requirements, the Company Secretary has been instructed to commence an orderly wind-down of the Institute, and remaining caretaker Board members will seek professional advice on such actions on your behalf.

The Board have always valued your feedback.

For future Boards who would most certainly value your feedback on this decision feel free to send your feedback to feedback@aipp.com.au. While the caretaker group of Louise Bagger, Melinda Comerford, Nick Ghionis and John Swainston remain in place, (4 are required to form a quorum) - they too will do their best to respond within the AIPP Community Forum, or to direct communication to the email address above. Please understand if they cannot take all your calls personally. At this time they need your support, as will new Board members, State Council presidents and the staff while they also work out their notice in support of Your AIPP.

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27th February, 2018.

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VITTORIO NATOLI - FOR AND ON BEHALF OF YOUR AIPP BOARD