

INSOL International

**Minutes of the Board Directors' Meeting
held on 25 June 2009 at the
Pan Pacific Hotel, Vancouver**



INSOL INTERNATIONAL

Robert Sanderson, President
Sumant Batra, Vice President
Johnson Kong, Treasurer
Bruno Arboit, Hong Kong Institute of Certified Public Accountants (Restructuring and Insolvency Faculty)
Mark Aukema, INSOLAD - Vereniging Insolventierecht Advocaten
Claude Gilbert, Canadian Association of Insolvency and Restructuring Professionals
Steven Golick, American Bankruptcy Institute (Professional Section)
Adam Harris, Association of Insolvency Practitioners of Southern Africa
John Melluish, Insolvency Practitioners Association of Australia
Maggie Mills, Nominated Director
David Perry, INSOL New Zealand
Howard Seife, Nominated Director
James Sprayregen, Nominated Director
Gordon Stewart, Association of Business Recovery Professionals – R3
Michael Thierhoff, INSOL–Europe
Claire Broughton, Executive Director
Tina McGorman, Conference Manager

Apologies: Stephen Darr, Association of Insolvency and Restructuring Advisors

Finance

A revised budget for the year was circulated introducing revised income and cost savings for the year. The expected outcome of the Congress is in the region of £350,000 it was budgeted to achieve £600,000. The Executive Committee had reviewed areas of potential savings and determined that it was important to hold the November Board meeting although the venue would be reviewed to find one which could be more cost effective if possible. It was anticipated, therefore, that by making these savings, instead of a loss of £188,000 we would have a small surplus of £14,811.

Interest and Investment

The Finance Committee would be asked to review buying Gilts (Bank of England Bonds) as an investment strategy in order to obtain some interest on our funds.

Membership

A motion was made by AH to approve the membership of the Society of Insolvency Practitioners of India. It was seconded by CG and unanimously approved by the Board.

The Board Directors had submitted reports from their associations. Specific points were as follows:

ABI. They are producing a study of claims trading process in bankruptcy, which may be of interest globally. INSOL and the ABI are now jointly funding the GlobalINSOLvency website and an Oversight Committee is being put in place and Editorial Board with representation from the top ten MAs.

CAIRP: Attendance at seminars is down. In the future, it would be expected that there would be more work for the smaller practitioners. It was suggested that INSOL should offer more value to small practitioners. The Association is facing a demographic issue with an ageing profession although more students are joining the Association.

INSOLAD: There is some debate in INSOLAD about INSOL Europe membership and membership of INSOL. The Executive asked that they be kept informed on this and included in discussions going forward.

INSOL Europe: The next conference is in Stockholm and they are unsure how the recession will affect the numbers. They are anticipating 400+ delegates. New publications for members will be produced in the future. The incoming President is Patricia Godfrey of Nabarro. MT suggested that we jointly promote to younger members in the countries where we have limited membership. One problem is language in some of these countries. IE used to provide translation at its conferences but this was dropped because it was not accurate enough. INSOL is looking to put up French, Spanish/Portuguese papers on its website. It was suggested the home page and details on INSOL and membership be made available in other languages.

IPAA: National conference was held in Perth – no decline in numbers. Smaller firms have not currently seen an increase in work. They are looking to honour Terry Taylor, who died recently, through a scholarship or project and will keep INSOL informed. The Association is working towards formal support of its statement of best practice.

INSOL New Zealand: The Association is in discussion with potentially aligning it with the IPAA in Australia and exploring if the management of the association can be taken over by the IPAA.

HKICPA: The Association is re-starting its technical training programme, providing a series of three courses set at different levels.

AIRA: SD being unable to be present, BS gave the following update. SD retires at this Board meeting and they are working on the nomination for a replacement director. They are still in discussion with regard to membership of INSOL. SD is the President elect of AIRA. BS registered thanks to SD with regard to his work on the INSOL Board over the last three years.

R3: The Society is, and its members are, under cost pressures, notwithstanding the recession. The government is also pressuring the profession on a number of fronts. In this context, R3 have concerns about INSOL fee levels and "value for money". GS has drafted a statement of benefits of INSOL membership for consideration by the President and CEO of R3 and has offered to meet with R3 Council to discuss issues faced and see how INSOL can assist further with membership value (and demonstrating it). Everyone's work in the future will become more cross-border and, therefore, INSOL is an important element in the mix of R3's membership benefits including for the smaller practitioner.

AIPSA: The new Companies Act has been signed into law and should be implemented next year. A move is being made to regulate the profession and this has seen an increased interest in training. AIPSA is running a two-day conference in August, which will be addressed by the President of INSOL.

Educational Programmes

INSOL 2009

Judicial Colloquium – about 80 judges attended the JC and approximately 50 accepted the waived fee to attend the Congress. The delegates of the Congress felt this was a great benefit to their networking opportunity.

The Insurance meeting was attended by 45 delegates and the programme was well received.

The Academics' meeting was attended by 35 delegates. Due to the timing of Dubai next year it is not possible for the academics to meet. We have, therefore, proposed hosting a stand alone meeting for them in the region and they would like it in Dublin or Paris.

The Turnaround meeting was attended by 62 delegates and we had a number of speaker's drop out. The Executive has agreed not to run the Turnaround meeting in the future. Originally the subject was not covered in the main technical programme but now it is integral to the programme.

On the Sunday afternoon, a half-day programme was run for the Secretariat staff of the Member Associations.

The Congress numbers were 648 delegates. The Congress appears to have been well received.

A Young Members' meeting took place on the free afternoon on Tuesday.

The Smaller Practice Committee and invited delegates also held a meeting whilst at the Congress.

The Board recorded their appreciation for the Main Organising Committee, Educational Committee and INSOL Secretariat for making the Congress a success.

Seminars

Cayman Islands

The Cayman Islands seminar on 5th November 2009 is attracting a lot of interest with regard to sponsorship and delegates and we anticipate over 100 delegates should attend from the region.

Auckland

DP explained that in addition to the annual conference run by Nexus/Lexus this year, they have put on an additional two days programme to be run at a junior and intermediate level. It was thought an additional seminar in Auckland would not attract the required numbers and it would be better to postpone and run it in Australia. Therefore, the 24th November seminar in Auckland is cancelled.

INSOL Dubai

Sponsorship was currently in the region of £36,500. Issues regarding entrance to the country by our members had been covered and we had been assured we would have a dedicated customs desk to assist out delegates.

INSOL Fellowship

It was reported that two fellows, Scott Atkins and Peter Gothard, addressed the Younger Members' meeting and their enthusiastic discourse on the Fellowship programme instigated three members of the audience to say they wished to take the course. It was agreed that INSOL would put testimonials together in order to assist the practitioners seeking funding from their firms.

Committee & Task Forces

Foundation Task Force

A report was submitted explaining that the Task Force was exploring the different purposes of establishing a Foundation. The members were investigating whether the foundation could be international or whether it had to be country based. What are the tax implications? What are the costs of setting up and running a foundation and do these outweigh potential donations? A further report would be submitted to the Board in November.

Membership Task Force

GS reported on behalf of the Task Force that they were investigating membership models. They may not recommend any of them in the final report but felt it was important to see if an ideal model could be found and perhaps worked towards. It was recognised that we had got to where we are over time and need to work with our current position.

It was noted that financial models were in place and would be distributed to the Task Force showing the cost per member of providing services to them and the incremental decrease in those costs with an increase in membership until the next step cost would be incurred.

Nominating Committee Report

DP gave the report on behalf of the Nominating Committee.

- The Committee recommended that Sumant Batra be appointed to the position of President for a term of two years. This was moved by DP, seconded by JS and unanimously approved by the Board.
- The Committee recommended that Gordon Stewart be appointed to the position of Vice-President to serve a two-year term of office. DP made a motion to approve, seconded by SG and unanimously approved by the Board. DP said that all the candidates that had stood for the Vice-President's role were excellent candidates.
- The Committee recommended that JK be re-appointed as Treasurer through to 22nd February 2010. DP made the motion, seconded by CG and unanimously approved by the Board.
- The Committee recommended that Jamie Sprayregen's term of office as a Director be extended by a year until 23rd June 2010. DP made a motion to approve, seconded by MM and unanimously approved by the Board.

The Nominating Committee wished to note their thanks to Richard Gitlin who has been Chair of the Committee for the last two years and suggested a gift in recognition and thanks be sent to him.

SB thanked retiring Director, Stephen Darr, for all his work over the last three years.

SB and the Board thanked BS for his invaluable contribution to INSOL as President for the last two years.

Presidential Review

BS presented a series of power points outlining what INSOL's goals had been for the last two years and what he thought was on track and what required additional effort.

The Board felt this was extremely useful. It showed we were not standing still but were addressing our issues. It was noted that in some countries a huge improvement had been seen in the delivery of services and this had helped increase membership and create better relationships with Member Associations.

The aspiration of INSOL is to continue to grow and with the collective effort of the Board and staff this will happen.

INSOL – The Future

SB presented his thoughts for the future of INSOL.

Key points were to work further in the regions of the world as our priority countries to develop relationships and grow membership. This may involve, in the future, increased use of translation to be able to achieve our objectives in some countries.

It was noted we have very strong working relationships with some international organisation but there are those we need to develop closer links to, e.g. the IMF, WEF.

Finances – As always, we should continue to address the financing of INSOL and look to new sources so we can commit to the projects we wish to undertake.

Recognised Global standard – we are achieving this through the Fellowship course and the Past Presidents' Committee is working on global best practice standards.

Learning for the future – we need to continue reviewing the opportunities of web based learning, which may assist our younger members and smaller practitioners.

Future educational opportunities – Nottingham University are interested in discussing with us offering a Master's Degree in Insolvency. This will be reviewed further.

SB said he was honoured to be the President of INSOL and said this was a collective effort going forward.

GS said he was honoured to have been appointed Vice-President and said we have a great future ahead of us because of the work that has gone on before.