

1 July 2011

Dear VMIA employee,

On behalf of the Board of Directors, I would like to take this opportunity to advise you that Steve Marshall has chosen not to accept the offer by the Board to continue as CEO for a further term once his current contract expires in October.

The Board was keen for Steve to continue as CEO and has reluctantly accepted his decision.

Since joining the organisation five years ago, Steve has overseen a major transformation at the VMIA. During his tenure, the VMIA has become a more commercially and client focused organisation with an excellent reputation as a trusted expert advisor to Victorian Government agencies on managing risk. He has achieved this in the face of major external challenges, such as the global financial crisis, the Black Saturday bushfires and the recent floods.

An important part of Steve's legacy is the VMIA's innovative 'whole of government' approach to risk management, which is now widely recognised within Victoria and nationally as a robust and effective model for protecting the State's finances.

Having made this contribution, I understand Steve is looking for some fresh challenges and will be returning to the private sector. He will be a loss to the Victorian public service and I am sure he will be very successful in the future. Steve will be with us in the coming months, so there will be opportunities in the future to say goodbye.

There will be further correspondence next week explaining the approach the Board will take to appoint a new CEO. In the meantime, the VMIA Board and Executive team has transition arrangements in place to ensure our clients' needs continue to be met.

I know Steve wants to ensure it is business as usual in the coming months. He will be presenting to VMIA employees at internal meetings on Monday on the VMIA Corporate Plan and will be taking this opportunity to answer any questions you might have.

Yours sincerely



Ian Gaudion
Acting Chairman