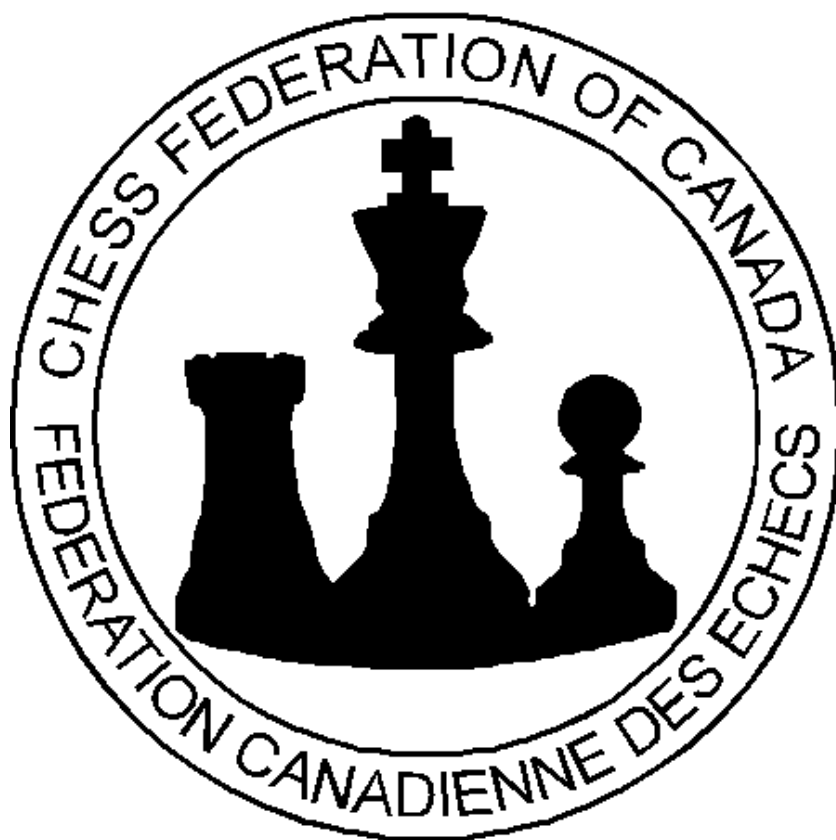


CHESS FEDERATION OF CANADA GOVERNORS' LETTER ONE 2001-2002



Responses may be mailed, faxed or E-mailed to the Chess Federation of Canada, E-1 2212 Gladwin Crescent, Ottawa, ON, K1B 5N1, fax: 613-733-5209, E-Mail: info@chess.ca

ATTENTION ALL GOVERNORS: Anyone with an E-Mail address can have their Governors' Letter sent to them via E-Mail and save the CFC paper and postage costs. Please E-Mail info@chess.ca if interested.

Deadline for next Governors' Letter is Nov 5, 2001

PRESIDENT'S MESSAGE

First of all I would like to thank Maurice Smith for serving three full terms as our President and a job well done! Next is definitely Phil Haley who has kept us all up to date with the ever changing FIDE affairs! Both men gave us there best and can still be relied upon to improve chess for the benefit of all.

Unfortunately, Sid Belzberg, after hiring Arthur Milne as a secretary to coordinate his FIDE office, has resigned. His business commitments have left him little time to deal with the complexities that being a FIDE rep demands. Our new FIDE rep is Francisco Cabanas. Francisco has served many years as a governor and has attended a couple of FIDE meetings in the past. His knowledge of Spanish and French will serve us well in the America's! We were very fortunate to have such an able man take on the challenge!

The new Executive for the CFC is as follows: FIDE rep Francisco Cabanas, Past President Maurice Smith, Vice-President Ken Craft, Secretary Fred McKim, Treasurer Lyle Craver, Jr. Coordinator Bryan Lamb. It will be a pleasure working with these outstanding volunteers!

One of the first things that our Executive did was appoint Serge Archambault as Executive Director of the CFC business office. We are truly fortunate to have Serge, and Maurice Smith should again be thanked for getting someone so very qualified to run the office! So far I have found Serge to be one of the hardest working individuals you can come across. He has a fabulous personality and an eye for detail that will definitely help bolster sales and ensure a strong future for the CFC. Also in the CFC office to work along side of Serge is Gerry

Litchfield. Gerry is learning quickly what it takes to run our affairs and is doing a superb job at keeping up with the fast paced CFC business office!

A BIG CONGRATULATIONS to Alexander Lesiege for winning the playoff match against Kevin Spraggett and the right to represent us at the World Chess Championships! There are many people to thank in making the Match a reality. The Montreal organizers who saw a great opportunity to help the players and promote chess in all of Canada! Thru the hard work of Brian Hartman who negotiated all the details and as a bonus to Canadian chess players and interested parties was able to include the World Chess Network as the official online site to view the match! I would like to thank the players, Alexander and Kevin for reaching an agreement in such a short span of time! Phil Haley for trying so very hard on our behalf to reach FIDE with regards to an extension of our Sept. 15 deadline and many other matters that kept us informed and on the right track! Serge Archambault who took a week off at the office to be the TD for the match. Gerry Litchfield for making sure the business office was still there when Serge returned! John Hammond, Chris Heringer and Michael Gagne of WCN, Deen Hergott and Pascal Charbonneau, plus the CFC Executive who placed their faith in me, and allowed me the room necessary to negotiate on there behalf! And the many others who made this event a success!

A BIG CONGRATULATIONS to Nava Starr for winning the Women's Zonal ! The much maligned women's chess scene is of great concern to this Executive and we will try to improve conditions so that they are represented as well as the men! Unfortunately Nava was unable to attend the Continentals in Venezuela due to the

problems with booking connecting flights since the recent tragedy in New York. I am sure she will represent us well at the World Chess Championships!

We were represented at the World Junior Championship in Greece by Yaaqov Vaingorten in the U20 boys section and Bojana Mitrovic in the U20 girls section. Thank you Yaaqov and Bojana!!

The CFC Executive have accepted a bid for the Canadian Men's Zonal to be held from March 21 to April 2, 2002 from the BCCF and Peter Stockhausen. When the new Executive was faced with a 1 year cycle to have a representative for the FIDE World Chess Championships we had to react swiftly in finding a suitable bid. This was done thru the hard work of Peter Stockhausen and the BCCF! The bid was such a great one, that just because FIDE changed the rules again, this time to a 2 year cycle, we decided to make this the qualifier anyway!

Maurice Smith and his past executive left the CFC in excellent financial shape while still meeting our many commitments. It is my hope we are at least equal to the task in the coming year! We have experienced high staff turnovers at the CFC office and this at a small office is particularly taxing. Therefore we will be working very closely with our new Executive Director, Serge Archambault and his partner Gerry Litchfield so we can continue to improve the services to our customers. Serge has informed me that he has added over 50 items to our inventory to better serve the needs of our customers and that he is currently working on a catalogue which will be distributed before the Christmas rush!

At present there is a group going to Spain to represent us at the WYCC. As Irwin

Lipnowsky was having difficulties getting time off from the University of Manitoba to Captain the team, Ilia Bluvshstein, father of Mark, offered his services, which were gladly accepted! Good luck to all the players and I hope the parents have as much fun as there children!

There are many issues which need addressing by the Governors and our Executive so lets try to make the decisions that will correctly and appropriately deal with them!

Dale Kirton
CFC President

KEEPING GOVERNORS INFORMED

2000/2001 Executive

1) Executive Motion for Pan-Am support (2001): The CFC will support each of the three Pan-Am 2001 participants with \$800 travel support.

Source of support:

1. \$550 per participant from the CFC Youth funds as per the resolutions during the 2000 AGM and Executive meetings.
2. \$250 per participant from the Pugi funds (subject to the approval of the Pugi Trustees).

2) Executive Motion for Pan-Am support (2002):

1.The Executive {in consultation with the Office and the Captain of Team Pan A-Am 2001} will consider if the efforts put into the Pan-Am 2001 are worthy of keeping up the participation in 2002.

2.Pan-Am qualification {if the decision is to pursue} will be based on the CYCC 2001 standings and be using the same qualification scheme that was employed last year for Pan-Am 2001.

3) Large Families at the CYCC

That families with more than two children taking part in the CYCC be charged only 50% of the entry fee for the 3rd and 4th child participating and that the 5th and all other children in the same family be provided with free entry.

2001/2002 Executive

- 1) Serge Archambault awarded NTD title.
- 2) Serge Archambault named CFC Executive Director.
- 3) Shawinigan awarded 2003 Canadian Junior.
- 4) Executive Motion for the Canadian Closed (2001).
That for the 2001 Canadian Closed tournament the CFC will donate \$100 for every player for the difference between the number of players and forty. For example, if there were 25 participants, the difference would be 15 and we would donate \$1,500. The maximum donation would be \$2000
- 5) That an electric auction be held to dispose of the items that Brian Hartman sent to the Annual Meeting.
- 6) NAC Fee of \$35 be waived in the appeal by Bob Woodworth concerning final round pairings in the G12 at the 2001 CYCC event.
- 7) Ed Urquhart was granted admission to the 2001 Canadian Closed
- 8) The bid for the 2002 Canadian Closed from BC (Appendix Q) was selected over the bid from Ont (Appendix P).

Presidential Decisions

- 1) Brian Hartman and WCN awarded Lesiege-Spraggett play-off match. CFC to contribute \$2000 to the prize fund.
- 2) Francisco Cabanas named FIDE Representative and Zonal President replacing Sid Belzberg, who had resigned.

Dale Kirton
President
Chess Federation Of Canada

10th Canadian Women's Chess Championship 2001

Statement of Revenues and Expenses

Revenue
Entry fees - 18 players x \$150/player = \$2,700

Expenses
CFC - to pay for winner at Continental Championship @ \$50/player = \$900
CFC - rating fee @ \$2/player = \$36
FIDE - rating fee \$50
Room rental and chess services - Dutton Chess Club \$725
Carbon copy scoresheets - Greater Toronto Chess League \$20
Book gifts - Chess Shop \$553.92
Trophy and engraving - Chess Shop \$22.40
Players' transportation and assistance - \$250
Tournament Director's transportation - \$14.40
Misc. - \$28.28
Prize fund - Nava Starr \$76; Stefanie Chu \$12; Amanda Benggawan \$12 = \$100

David Cohen
Organizer

I surveyed the 18 players at the 2001 Canadian Women's Championship.

Here are the results:

1. Most popular reason for playing chess:
"It's fun!"

2. Preferred time control:

16: 40/120,game/60
2: new FIDE control
0: other controls

3. Format

7: 6 round swiss
3: 9 round swiss - 7 days
8: 9 round swiss - 9 days

(11/18 prefer 9 rounds)
(9/18 prefer 1 round / day)

4. Prizes

5: trip to Continental Championship
13: trip + cash

5. Entry fee

13: ZERO - CFC pays
1: \$150
4: Other (in the range \$40-\$100)

David Cohen
Organizer
2001 Canadian Women's Championship

GENERAL REMARKS on CFC BUSINESS

a) Re Canadian Women's Closed Motion from GL#6

Martin Jaeger voted for the Toronto bid for

the event, but was not listed due to a clerical error.

2001 CFC ANNUAL GENERAL MEETING

2001 CFC Annual General Meeting
Outgoing Board of Governors
Sackville, NB

July 9, 2001

1. Opening remarks

Made by CFC President Maurice Smith

2. Registration of voters.

It was determined that only 3 proxies could be held by an individual.

Governors Present

Maurice Smith (ON)
Halldor Palsson (ON)
Martin Jaeger (ON)
Alick Tsui (NF)
John Quiring (AB)
Dale Kirton (MB)
John Rutherford (ON)
Gilbert Bernard (NS)
Ken Craft (NB)
Alvah Mayo (NS)
Richard Bowes (NB)
Hugh Brodie (QC)
Kevin Spraggett (ON)
Phil Haley (ON)
Mark Barnes (BC)
Joshua Keshet (BC)
Fred McKim (PE)

Governors sending Proxies

Wolfgang Ferner (ON) - Jaeger
Francisco Cabanas (BC) - Spraggett

(Bowes)

Lyle Craver (BC) - Keshet

David Cohen (ON) - Spraggett (Brodie)

Peter Stockhausen (BC) - Spraggett

Knut Neven (SK) - Spraggett

Neil Sutherland (NWT) - Spraggett

Gordon Taylor (ON) - Palsson

Les Bunning (ON) - Palsson

Brian Lamb (ON) - CFC Secretary (Jim Gilks:NS)

Robert Webb (ON) - Keshet

Aris Mendrinis (ON) - Smith

Alexandre Lesiege (QC) - Brodie

Mark Dutton (ON) - Spraggett (Brodie)

Ford Wong (AB) - Quiring

David Ottosen (AB) - Quiring

Peter Boross-Harmer (ON) - CFC Secretary
(Andrew Smith:NF & later Brent Tremblay:ON)

Roger Langen (ON) - Jaeger

Z (X) Indicates a proxy was assigned to person X by person Z.

3. The minutes of the 2000 AGM

Moved by Quiring / Rutherford. Approved.

4. Reports

President's Report (see Appendix A)

Maurice Smith read his report.

He apologized for his comments in GL#3, expressing an opinion on Provincial matters. He noted the idea concerning the reduction of Governors.

Rutherford agreed with the idea of reducing governors when on-line.

Spraggett asked about the timing of reducing Governors. Smith said not immediately.

Keshet asked for the item to be tabled for

formal discussion.

Vice President's Report (see Appendix B)

Halldor Palsson highlighted his report.

i) Olympic Fund Raising

ii) Details of ICC agreement. Monthly tournaments.

iii) CYCC issues in Ontario

iv) Seeking Presidency

Rutherford suggested establishing rapport with schools. Spraggett asked about the ICC-CFC position. Palsson replied it was a small stipend. Jaeger suggested expenses for Canadian Closed could be cut via internet. Asked if a CFC game could be conducted over the Internet. Palsson replied yes if there were certified arbiters at each site. Prefers National event on site. Jaeger suggests running a dummy trial event by the CFC. A. Smith asked about computers cheating over the internet. Palsson suggested there was software checking, small prize funds, active rating to deter. Spraggett suggested attempting when technology was available. Canadian Closed would not be a good candidate. Rutherford asked what membership was needed.

Secretary's Report (see Appendix C)

Fred McKim highlighted efforts made by the Tournament Director Certification Committee.

FIDE Representative's Report (see Appendix D)

Phil Haley read his report.

Jaeger asked if the Canadian Champion would continue to qualify to the World's. Haley responded Yes, this would be the case for the Americas. Jaeger asked what would happen re the Continental rep if there were no zonal. Haley said there would have to be

a zonal each year. Spraggett said procedures would have to be followed. Palsson said money can be raised shouldn't have to be a chore running the zonal. Keshet said FIDE has evolved a lot in past 5 years. Rapid changes in some cases too many rules. Jaeger disagreed with the lack of a contingency. Wanted to know the rules of the Continental. Haley said we needed an early decision. Chose the 2 GM's for this year. Rutherford asked what the national plan for the Olympics was. Palsson said Spraggett indicated he's play in the Continental. McKim suggested the topic be moved to other business. Quiring commented that in the USA the Olympic committee will pay for drug testing. Haley says this is all up in the air. At the Pan Am Youth forms were signed. They tested medalists. He's not sure what will happen at the Zonal. Haley suggested that the success or failure of FIDE Commerce will affect all FIDE endeavours. Quiring thanked Mr Haley for his patience. Spraggett expressed admiration of Mr Haley for the past 34 years.

Rating Auditor's Report (see Appendix E)

Kevin Spraggett read Francisco Cabanas' report.

Rutherford said the 50 cents for juniors is a good idea in Northern Ontario.

Junior Co-ordinator's Report (see Appendix F)

Joshua Keshet highlighted his report. CYCC increased a bit. Pan Am participation. CFC resolution to allow CMA involvement in CYCC. Communications lines with provinces. Office time to junior chess. Improvement after hiring of Archambault. Problems with Junior committee. Olympics are a long battle. Bids come too late.

Spraggett asked about CYCC profit going to Pugi Fund. Keshet replied that first \$3000 goes to Pan Am, after that excess to wipe out debt from 1999, the excess would only then go to the Pugi fund. Tsui asked about less gifts from the CFC and Organizers to CYCC participants. Keshet explained accommodation packaging, etc. Brodie asked clarification on point #9. Keshet clarified he would stand until Jan 1, if no replacement could be found. Lamb had a statement read in.

Women's Co-ordinator's Report (see Appendix G)

McKim was asked and told the group he prepared the invitation letter for the Women's Closed as the WC was on vacation for two months. Keshet was concerned about the participation. Palsson said the deadline had been extended. Players can now play at the last minute. Jaeger says OCA supports Ontario players \$50/head, \$600/overall. Spraggett says Cohen had best intentions and had no doubt things would turn out well. Mayo asked if an invitation was sent to the highest rated woman in each province. Archambault replied that letters were sent to those over 1900, provincial champions, and association presidents.

Master's Representative's Report

Kevin Spraggett commented on the following issues, mostly a consultation roll, Olympic year, should prepare to have rule for Olympics on drugs, behaviour, and ethics. The Zonal needs to be reappraised. There is a problem attracting players to a swiss. May have to revert to old system. Perhaps same for Junior championship. Jaeger offered a survey to masters. Doesn't like members funding zonal. Likes user pay. Problems here with Quebec not paying their

full share. Problem with organizer of the junior, as the money simply goes to the organizer. OCA is assuming the cost in Ontario by supplying the entry fee. Spraggett suggested there were lots of problems. The present format was an experiment. Brodie said there were presently 4 acceptances out of 200 invitations.

Palsson acknowledged that recent International tournaments in Quebec provided some value to Canadian chess.

Smith said the FQE would continue to go their own way since they had funding. Relations had been better in past 3 years.

Keshet. BC ran qualifiers to national events (to pay EF). Kirton wondered why we accepted bids that are so low. Round-robin's are better. Open and closed could run together. Mayo asked who got invited to Canadian Closed. Smith replied 2250 and above, provincial champions, and provincial associations copied. Spraggett concluded the Canadian Closed should be a priority.

Auditor's Report (Appendix H)

Smith recapped that first Doug Burgess then Michael Yip declined. Eventually Ouseley Hanvey Clipsham Deep LLP were hired to do a Review Engagement. This was in part due to the customized accounting software and the recent turnover in our staff. They recommend switching to Quik Books Pro for the accounting while continuing to use MS Access for the membership info. They also recommended starting a Marketing Plan.

Smith commented the bottom line is that we showed a profit of \$5000. Jaeger asked the question on prior year corrections. Palsson said that the write off was chess boxes (for completely chess 2). McKim thought the net assets were down \$5,000. This was later pointed out to be capital assets, not net assets.

Haley commended the President on getting an Auditor. Thought we need to go with a standard accounting system. Palsson said Quik Books Pro is \$450. Quiring thought the present CFC software worked excellently from what he saw while in the office previously.

Moved: Rutherford, Seconded: Mayo. Carried.

Treasurer's Report (Appendix I)

Quiring asked what the cost of the audit was. Smith responded \$2500. Haley asked if things are all written off now. Palsson said the inventory was gone through. Haley said this should be done every year.

Moved: Lamb (Gिल्s), Seconded: Craft. Carried

CYCC Team Captaincy

At this time in the meeting, Irwin Lipnowski, CYCC Captain, 2000, approached the Governor's to express his interest in acting as Captain again for 2001.

Keshet: Problems in the past. Last year we had a specific job description - administrative job. Lipnowski did a great job. CFC decided to dis-allow youth from travelling on their own.

Moved that Irwin Lipnowski be appointed CYCC Team Captain for 2001.

Moved: Palsson, Seconded: Kirton. Carried unanimous.

Business Manager's Report (Appendix J)

Smith commented that Archambault has been remarkable over the past 3 months.

This is the busy time of year. Jaeger asked that if an organizer submits a report by the rating deadline for the magazine and it isn't rated they should be notified by the business office. Archambault stated he updates web site on Friday if it can't be done on Tuesday. Rutherford wondered if things could be speeded up by partnering with an external group, ie Chapters. Quiring asked what the staffing plans were. Smith said there were resumes from 6 people. The executive would review and decide.

Chess Foundation Report (Appendix K)

There was a written report from Lynn Stringer.

The balance of the foundation is approximately \$112,000. Quiring thought that getting 7% return wasn't bad. Haley thought there was no acknowledgement of donors in magazine.

Kalev Pugi Fund Report (Appendix L)

Keshet commented on his written report.

Jaeger thought the fund was supposed to only give out interest after inflation taken into account. There had been a motion to this effect 4-5 years ago. Keshet said the terms of the trust are more liberal than the motion Jaeger refers to. Haley and Quiring both agreed with Jaeger's point. Smith thought we had to find the original motion. Quiring said he'd find it in his old records and forward it to the Committee.

National Appeals Committee

Cabanas (read in) said there were no cases this year.

Canadian Correspondence Association Report

No report.

Quiring stated the CCCA has been disaffiliated from the CFC for over a year. Palsson said he wrote the President and had no response.

En Passant Editor's Report (Appendix M)

Written report from Knut Neven.

Jaeger asked about the Saskatoon printing proposal. Archambault said the costs were no lower there. Keshet said there was recent cover problem and the independence of the editor was an issue. Jaeger said the President is the publisher. Quiring said to leave the editor alone unless we need to step in. There had been complaints about the editing, mostly centring around articles to Across Canada. Local tone is being edited out. If the issue is common and broad Neven should be notified. Also the word chess is not in the title. Spraggett asked what leeway does he have in his contract. He has been editor awhile. People can write in comments.

Jaeger asked Spraggett how masters feel. Spraggett replied: material available elsewhere for masters. Jaeger thought the magazine was better since it was farmed out. Spraggett mentioned the problem that some articles appear to be a year old.

5 Outstanding Motions

Moved 01-7 (Amendment to 01-6): (Martin Jaeger / Wolfgang Ferner) That 01-6 be amended by adding the following: subject to the right of affiliated provinces / territories to reserve three periods / calendar year, giving six months notice, for all or part of its territory.

Jaeger: OCA constitution protects the Ontario Open. Asked the CFC not to advertise/rate a conflicting event. Dates back to the 1980's. No affiliation agreement exists. CFC refused OCA request. There is a motion for incoming board re affiliation agreement with the OCA.01-6 is an out of order motion as it precludes the CFC respecting jurisdiction. Taken very serious at the OCA. Attempt to disaffiliate will happen if CFC continues. Of the three events one would be the Ontario Open and one a North Bay type of event (premiere event in Canada). Despite what Cohen says regulation is legitimate. If games weren't to be rated, games wouldn't be played. Haley mentions purity of rating, but thousands of games are played daily that aren't rated.

Spraggett asked when disaffiliation might occur. Jaeger responded not prior to the next OCA AGM. Keshet mentioned that this year the CCC ran in Toronto on the same May long weekend . Jaeger responded only open events over more than a single day are to be included. Lamb (read in) said Dutton is running outside the GTCL. Has been removed as an OCA director. Will not collect OCA dues. Palsson stated that provinces are expected to look after their own affairs by the CFC. The Ontario Open is not a big success when it leaves Ontario. Quiring stated the CFC is a federation of affiliates. CFC has no presence in Alberta. The ACA is the CFC in Alberta. Keshet suggested the CFC can help in other ways.

Yes - 12, No - 15, Abstain - 7

Amendment Defeated

Moved 01-6: (David Cohen/ David Gebhardt) That the CFC policy on rating events be that a tournament, which is otherwise qualified to be rated, cannot be prevented from being rated on the grounds that its dates conflict, whether directly or

indirectly, with those of another event.

Quiring stated this motion was not needed. Associations should have the ability to handle drastic cases thru CFC if the need ever arises. What does it mean to be an affiliate ? Palsson agreed. Spraggett agreed. Stockhausen (read in) says tournaments have to be rated if they fulfill conditions. CFC could exclude tournaments. Ottosen (read in). Disagree with Quiring. Free enterprise system is best.

Haley: I plan to vote no. Provinces business.

Yes - 6, No - 23, Abstain - 2

Motion Defeated

6 Other Business

A) Junior Guardian ship

Move all U18 players to travel with an adult.
Carried unanimous.

B) Reducing Governors

Requires constitutional amendment.

C) Selection to Continental

Keshet - very short notice by FIDE.

Haley suggested a North American continent. Jaeger asked what the constitution says. In the long run use the selection list.

Moved Keshet/Jaeger: Replacement players to the Mens 2001 Continental be taken from the rating list for June 30. Selected players must have been active in past two years.

Yes - 27, Abstain - 2

Motion Carried

Moved Jaeger/Keshet. Replacement players to the Women's 2001 Continental to come first from the third place finisher in the 2001

Canadian Women's Closed, and following that from the rating list immediately following the rating of the 2001 Women's Closed. Selected players must have been active in the past year.

Yes -24, Abstain - 2

Motion Carried

D) Rutherford Debt

Rutherford stated his outstanding debt to the CFC was \$4000. Jaeger said the OCA would pay \$500. Palsson says act with discretion. Smith asked Rutherford if he'd been using from one year to pay for previous year. Rutherford replied - yes since 1985. Quiring asked if the debt was due to failure to submit entries. Smith replied yes. Keshet - CFC office had advised that no one would show up to CYCC this year, but instead he (Keshet) was stunned by the turnout. Bernard asked if coming from a reserve would be sufficient to remove his debts, too. Quiring suggested the expenses were consumed with the huge travelling required in the area. Will support the motion.

Moved Jaeger/Ferner. The CFC write off \$3500 debt with John Rutherford.

Yes -19, No - 0, Abstain - 7

E) Junior Co-Ordinator Issues

1) Pan Am Support

Keshet said problems with 2001 Pan Am. Problems with commitment, Quiring said should be deferred to incoming board. Jaeger asked whether North America could be a zone.

2) Junior Committee

Keshet said committee still in place. Rutherford asked about the handbook. Smith replied that it's in constant revision. Available off the web site.

3) Junior Retention

Rutherford said kids are glad to get off the computer. Tremula thought use of the internet is growing. Spraggett says not much we can do about the internet. Try to strengthen prestige. Go for nice hotels and good conditions such as here.

4) Olympic Initiative

5) Future Junior Bids

Keshet said he wants to see bids two years in advance. Worried that any CYCC bid for 2002 won't have sufficient info in it now.

7 Donation of \$500 from the CFC to the Chess Foundation of Canada

Moved Palsson/Brodie

Carried (1 abstention)

Meeting adjourned.

2001 CFC Annual General Meeting
Incoming Board of Governors
Sackville, NB

July 10, 2001

1. Registration of voters.

It was determined that only 3 proxies could be held by an individual.

Governors Present

Maurice Smith (ON)
Halldor Palsson (ON)
Martin Jaeger (ON)
Alick Tsui (NF)
John Quiring (AB)
Dale Kirton (MB)
John Rutherford (ON)
Gilbert Bernard (NS)
Ken Craft (NB)
Alvah Mayo (NS)
Richard Bowes (NB)
Kevin Spraggett (ON)
Phil Haley (ON)
Mark Barnes (BC)
Joshua Keshet (BC)
Fred McKim (PE)
Charles Graves (NB)
Hugh Brodie (QC)*
Gerald Michaud (QC)*

*Non-affiliated province, Elected by assembly

Governors sending Proxies

Wolfgang Ferner (ON) - Jaeger
Francisco Cabanas (BC) - Spraggett (Craft)
Lyle Craver (BC) - Keshet
David Cohen (ON) - Spraggett
Peter Stockhausen (BC) - Spraggett (Brodie)
Knut Neven (SK) - Spraggett
Neil Sutherland (NWT)* - Spraggett

Gordon Taylor (ON) - Palsson
Les Bunning (ON) - Palsson
Brian Lamb (ON) - CFC Secretary
(elections voted by Secretary)
Robert Webb (ON) - Keshet
Aris Mendrinis (ON) - Smith
Alexandre Lesiege (QC) - Brodie
Mark Dutton (ON) - Spraggett (Rutherford)
Adrien Regimbald (AB) - Quiring
David Ottosen (AB) - Quiring
Peter Boross-Harmer (ON) - CFC Secretary
(elections voted by Secretary)
Roger Langen (ON) - Jaeger
Peter McKillop (ON) - Jaeger
Tony Ficzer (ON) - Spraggett (Brodie)
Ron Hinds (AB) - Spraggett (Bowes)
Ceasar Posylek (ON) - Spraggett
(Rutherford)
Dave Gebhardt (ON) - Spraggett (Mayo)
Mike Stanford (BC) - Keshet

Z (X) Indicates a proxy was assigned to person X by person Z.

*Non-affiliated province/territory, Elected by assembly

2. Election of Non-Affiliated area Governors

The following CFC Members were elected Governors for their non-affiliated areas.

Hugh Brodie (QC) nominated Barnes
Gerald Michaud (QC) nominated Spraggett
Eric Van Dusen (QC) nominated by Palsson
Neil Sutherland (NWT) nominated by Spraggett

There were no nominations for Nunavet (1) or Yukon (1).

3 Election of Officers

EXECUTIVE

President

Dale Kirton nominated by Posylek
Halldor Palsson nominated by Bunning

Kirton 20
Palsson 17
Abstain 5

The Governors voted to destroy the ballots
(16 for, 12 against, 9 abstain)

Vice-President

Ken Craft nominated by Mayo
David Cohen nominated by Posylek

Craft 18
Cohen 15
Abstain 7

Secretary

Fred McKim nominated by Bunning/Taylor
McKim acclaimed

Treasurer

Lyle Craver nominated by Smith

Craver acclaimed

FIDE Representative

Sid Belzberg nominated by Spraggett
Nathan Divinsky nominated by Jaeger

Belzberg 23
Divinsky 6
Abstain 12

Junior Co-ordinator

Brian Lamb nominated by Smith
Joshua Keshet nominated by McKim -
DECLINED

Lamb acclaimed

Moved Kirton/Rutherford that Joshua Keshet be made a CFC Special Officer for Junior Issues (2001-2002). Carried (3 abstentions).

OTHER OFFICERS

Master's Representative

Spraggett until next Canadian Closed (voted by players).

Women's Co-ordinator

David Cohen nominated by Spraggett
Martin Jaeger nominated by Posylek -
DECLINED

Denis Allan nominated by Stanford (no visible info as to whether he wished to stand, his nomination was allowed)

Cohen 17
Allan 10
Abstain 12

Rating Auditor

Alvah Mayo nominated by Palsson
Francisco Cabanas nominated by Stanford
Wilf Ferner nominated by Posylek -
DECLINED (via Jaeger)

Mayo 26
Cabanas 6
Abstained 7

4 Selection of Auditor

Ouseley, Hanvey, Clipsham, and Deep were accepted.

5 Chess Foundation Trustees (5 members)

Years remaining
Lyle Craver - 3
Francisco Cabanas - 2
Lynn Stringer - 1

Nominated and accepted for 4 year position
- Maurice Smith

Nominated and accepted for 1 year position
- John Rutherford

6 Kaley Pugi Fund (3 members)

Brian Lamb nominated by Smith
Robert Webb nominated by Smith
Lynn Stringer nominated by Smith
Joshua Keshet nominated by McKim -
DECLINED

Lamb, Webb, and Stringer were acclaimed.

7 National Appeals Committee (5 members)

Gordon Taylor nominated by Palsen
Lyle Craver nominated by Keshet
Francisco Cabanas nominated by Spraggett
Hugh Brodie nominated by Smith
Fred McKim nominated by Mayo -
DECLINED
Martin Jaeger nominated by Ferner

Taylor, Craver, Cabanas, Brodie, and Jaeger
were acclaimed

8 Bids for National Events

a) 2002 Canadian Open & CYCC (Appendix N)

Bid from Montreal was given to the
Governors

Jaeger -CFC should get the regular \$6 fee on
tournament memberships in QC, not a
reduced \$5 fee (as explained by
Archambault). Kirton thought we should
give them a break. Quiring asked if anyone
was representing the organizers? Smith said
there had been contact. Quiring noted the
number of rounds and time controls were
not typical. Brodie said the event was
combining the Canadian Open and Quebec

Open. There would be a blitz and active
over the last day and a half.

Moved Smith /Barnes - The matter be
deferred to the Executive.

It was felt the major matter was the \$50 vs
\$100 per head to the organizers from the
CYCC. This would be critical. Jaeger said
he was not opposed to letting them use their
usual format. Quiring thought the
organizers should be approached in a
respectful manner. Keshet asked if there
would be a backup plan.

Carried. With 4 abstentions.

b) 2002 Canadian Closed (Appendix O)

Bid from Toronto (David Cohen) was
circulated to the Governors.

Haley thought the date should be earlier and
there were insufficient details to go on.
Jaeger thought this bid could be used as a
prelude to the 2003 Continental. McKim
pointed out the dates conflicted with the
proposed dates of the 2002 Canadian Open.
Palsen noted there was no fund raising as
part of the bid.

Moved Jaeger/Ferner - The bid be deferred
to the Executive for more details.

Carried. Unanimous.

c) 2002 Canadian Women's Closed (Appendix P)

Bid from Toronto (David Cohen) was
circulated to the Governors.

Moved Jaeger/Ferner - the bid be deferred to
the Executive for more details.

Carried. Unanimous

d) 2001/2 Canadian Junior Championship

Bid from Manitoba previously accepted by the Executive

e) 2003 Canadian Open & CYCC

A bid was presented on behalf of Kapuskasing, ON by John Rutherford.

Quiring thought two years notice was good. Keshet agreed with Quiring and suggested there shouldn't be prize money in the CYCC. Jaeger felt the financial expectation should be realized before awarding bid. Spraggett didn't see the point of deferring. Rutherford thought the event in Sackville was very well done. Quiring thought the organizers could be given a six month exclusive right. Rutherford said any funds raised would go directly to the CFC.

The bid for Kapuskasing was carried with 3 abstentions.

The message was made clear to the organizers that they would have to meet the financial expectations with the CFC during the upcoming year.

b) Collection of Provincial Dues

Moved Craver/Keshet - Collection of Provincial fees be mandatory by tournament organizers

Jaeger - Recently an Ontario organizer has threatened not to collect OCA dues.

Carried with 13 abstentions

c) Junior Issues (Rutherford motions)

i) Moved Rutherford/Keshet - That when Junior members pay the CFC participating fee, they receive a plastic CFC member card + 1 En Passant magazine + invitation to pay

9 Other Business

a) Provincial Affiliate Agreements

Moved Jaeger/Ferner - That the CFC Executive be empowered to reach official affiliation agreements with Provincial Affiliates who wish to have such.

Jaeger outlined the arguments behind the motion. Palsson suggested this can happen without a motion. Jaeger said he asked Smith shortly after the OCA general meeting. Smith thought other organizations would come forward. Kirton thought the CFC shouldn't interfere in provincial politics. Mayo thought the CFC shouldn't give any power to affiliates. Jaeger contended that conditions differed across Canada. He pointed out the \$5 deal for tournament memberships in Quebec. Spraggett suggested that the OCA didn't want us to interfere, but yet be the muscle. Jaeger concluded there was no instrument available without the CFC support.

For 10, against 16, abstain 13

Defeated.

the difference for full membership.

For 25, against 2, abstain 3

Carried

ii) Moved Rutherford/Keshet - That Juniors in CFC Rated events have ratings for 6 consecutive EP magazines.

For 8, against 12, abstain 11

Defeated

iii) Moved Rutherford/Keshet - That the "xxxx" designation never be assigned to Junior players.

Carried with 6 abstentions

iv) Moved Rutherford/Keshet - That single tournament fee players never be assigned "xxxx".

Carried with 2 abstentions

v) Moved Rutherford/Keshet - That NOCL be given permanent provincial status for CYCC series.

Craver asked if this had full OCA support. Jaeger replied there was support. Jaeger said 1/3 of the dues paid go back to Northern Ontario. Keshet said the same deal as Northern Ontario was worked this year with Victoria area.

Amended McKim/Mayo to apply for three years (2001-2004).

Motion as amended **carried** unanimous.

vi) Moved Rutherford/Keshet - That NOCL CYCC fees be Regional - \$2/player and Finals - \$7/player.

Amended McKim/Keshet for deal to apply to entire country.

Quiring said this would affect budgeting. Jaeger thought provinces could use extra money to send players to Nationals.

For 14, against 27

Amendment failed

Original motion

Carried with 1 abstention

d) 2001 Women's Closed

Keshet thought more women & girls should be invited. Palsson suggested the rules had to be followed. Keshet said more than the original 25 should have been invited. Moved Keshet/Spraggett - That the rating limit to the 2001 Women's Closed be

reduced to 1600.

For 26, against 13

Carried

Moved McKim/Keshet - All 2001 Female CYCC medalists be invited to the 2001 Women's Closed.

For 19, against 16, abstain 6

Carried

e) Kalev Pugi Fund Donation

Moved Palsson/Bunning that the CFC donate all prior year surpluses from the CYCC to the Pugi Fund.

Palsson spoke to the motion. Basically this would secure the funds for the Youth. The interest would be available and allow the Pugi Fund some growth.

Jaeger thought there should be an amendment to remove the funds if necessary, down the road (ie losses in future years). Quiring thought the surplus should be for some more general use.

For 3, against 12, abstain 12

Defeated

Moved McKim/Palsson that the CFC donate 50% of prior year surpluses from the CYCC to the Pugi Fund. Junior co-ordinator be empowered to use the remainder.

For 20, against 7, abstain 8

Carried

f) Arbiters

Haley noted that our arbiters need more Kudos. In the recent lengthy BC Closed report it didn't even mention the arbiter.

g) CYCC Playing up an Age Group

Keshet posed the question: “Should kids be allowed to go up a group?”

Brodie asked if the girls can go in the boy’s group. Keshet responded “Yes there is a National section and a Girl’s Section”.

Bowes commented that he just thought Ross wanted to know what the rule was.

Craft suggested a semi-blind system might allow people to go up a group, without everyone waiting until the last minute.

Smith thought players should play in their own sections.

Brodie suggested we could change the names to 10-11, 12-13, etc.

Jaeger thought the current plan (players wanting to play up have to apply to the CFC) made sense.

Meeting adjourned.

APPENDIX - A

PRESIDENT'S REPORT

After serving for three years as President of the Chess Federation Of Canada, I feel that it is time to move on, so I will not be seeking reelection this year. Therefore, rather than looking back at one year, I wish to mention the happenings of the previous three years. For some people, it is always "the same old CFC". Yet the truth is just the opposite.

There have been many innovations and changes. They include the introduction of the Canadian Youth Chess Championships (CYCC). Reduced rating fees for junior events. A school program that includes teaching manuals and invitations to purchase chess supplies. Participation in Pan-Am tournaments. Some sponsorship for the first time for an Olympic team in 1998 and 2000. A collaboration with the Internet Chess Club resulting in combined tournaments. The eventual completion of Abe Yanofsky's book, Chess the Hard Way. Sound financial management resulting in small profits during the last three years compared to a large loss the year before. The ongoing translation into French of our website. Improved relations between the CFC and the FQE resulting in more National tournaments being held in Quebec.

The introduction of Keeping Governors Informed in the Governors Letters, which does exactly what the title states. The G.L. now being on the web (the merits of this are open to debate as the feeling in some circles is that the Governors Letters are for Governors, however amongst other circles the feeling is the more open everything is the better). The admittance of the CFC into the Canadian Olympic Association. These are some of the more significant happenings over the last three years. The items that I have felt most strongly about and worked

specifically on were the CYCC, Mr. Yanofsky's book, financial management, CFC/FQE relations and the Canadian Olympic Association. I feel very positive about the overall results on these items. Assisting on, working on and sometimes the person with the main idea on several of these items were Jonathan Berry, Robert Brewster, Francisco Cabanas, Lyle Craver, Phil Haley, Joshua Keshet, Herb Langer, Fred McKim, Halldor Palsson, Peter Stockhausen and Gordon Taylor. Also I would like to thank David Miriguay and Chris Collins who worked in our Office during some difficult times and Serge Archambault who has filled in most impressively during the last three months.

While on the subject of individuals, I must mention the two persons other than myself who are stepping down. Phil Haley has been our FIDE Representative and Zonal President for many years. His reports on FIDE matters are always articulate, informative and sometimes even amusing. Mr. Haley has always put Canada's concerns foremost. He has openly criticized FIDE when their methods have appeared to be poorly conceived. I do not see how anyone could have improved on Mr. Haley's performance. Phil, the CFC will certainly miss you in the role that you played. I tend to believe however, that you will still be active in CFC affairs in the years to come.

Joshua Keshet has been the Junior Coordinator for the three years that I have been President. His devotion to junior chess has been remarkable and the intensity that he brought to the position has been without equal. While we will miss him as CFC Junior coordinator, I am sure that Mr. Keshet will remain active in junior chess, and subsequently this part of our chess world will benefit considerably.

The last year has been the most difficult one for me. The major crisis was the Olympic situation when two members abruptly withdrew just days before the team was due to leave. This called for a decision other than the normal routine to ensure that there was indeed a full team that could go. While the decision seemed to be approved by the majority, there were some who disagreed. However, the outcome was very positive, with a team that had unusual close harmony and a result that was one of the best we have ever had.

There have been rumblings about dissension amongst the Executive in the past year. While there certainly was not agreement on everything, it was not as disruptive as some might believe. Actually on the last six Executive motions, everyone who voted was in favour. All members of the Executive had the best interests of the CFC at heart and respected each other's opinions.

Changeover in the personnel at the Business Office resulted in many problems that had to be overcome. It is very difficult with a two-person office, when one person leaves. The array of jobs that have to be done require good computer, accounting and sales skills which is a rare combination. Also you have to deal with constant interruptions by phone calls and walk in customers. Anyone who casually criticizes the office staff should work a week there and they would never criticize any office staff again. With support and understanding from the Executive, Governors and Members alike, the job can be very satisfying; otherwise it can be extremely difficult.

I believe that the CFC has improved in many ways during the last few years. The one main stumbling block remains the constant erosion of our membership. While the Internet can be blamed for drawing chess

players from over the board encounters, the CFC must somehow meet this challenge by being able to make itself more attractive to potential new members.

Increased membership is the key in helping many of our situations. It results in additional revenue from rating fees, sales of chess supplies, gives more opportunities to finance our National events and allows us to hire additional staff to service our members. All ideas to increase membership should be considered and all Governors and members can help by using their creative faculties to come up with new ideas.

We have started sowing the seeds for the future with our youth programs. Our financial situation remains stable. Increased Government recognition of chess will certainly help. If we can increase our membership I believe that the future of the CFC looks very bright indeed. I feel honoured to have been able to lead our organization through recent difficult times and keep us in a good position to face future challenges. Best wishes to all our Members for enjoyment and success in the world of chess in the years ahead.

Maurice Smith
President Chess Federation Of Canada

Appendix B – VICE PRESIDENT'S REPORT

I would like to thank Maurice Smith for the trust he has shown me in assigning and approving the various projects that I have undertaken for the CFC in the last year. It was a challenging and interesting year on the CFC Executive but free of personal acrimony. Olympics in the fall and CFC staff turnover in the spring kept things busy.

At the Executive meeting in Edmonton I asked to be put in charge of Olympic fundraising. The Executive kicked off the campaign by unanimously agreeing that each Executive member should donate \$200 to the Olympic Fund. I also asked Governors to donate and many responded with utmost generosity. Belzburg Technologies Inc. stepped forward and offered to sponsor the Olympic team. This was an initiative independently thought up by Sid Belzburg and first communicated to Maurice Smith by IM Ron Livshits. A big thank you to Sid Belzburg and all our Olympic Fund donors.

On behalf of the CFC I negotiated an agreement with the Internet Chess Club (ICC). I would like to ask Governors to support continuing with the ICC agreement. Dan de Castro agreed to serve as CFC-ICC Coordinator and he administers the contract on our behalf. I encourage CFC members to participate in the monthly CFC rated active tournament on the ICC. They are free to CFC members.

Ontario CYCC. In January and February I e-mailed a number of organizers to ask them to run CYCC Qualifiers. This met with limited success. Bryan Lamb and the OCA stepped in and organized the Qualifiers in Toronto and the Provincial Final. I organized the Ottawa Qualifier and Paul

Maisonneuve, the Ottawa CMA organizer, helped me along with several RA Chess Club members. The Ottawa CYCC Qualifier was a good community outreach project for the RA Chess Club and we will do it again next year.

I am seeking election as CFC President. I am running on my record for getting things done in the last two years on the CFC Executive. My priorities in office will be:

- To build up the CFC's ability to attract and train volunteers through things like TD certification;
- To have the CFC and its Provincial Affiliates will continue to organize the CYCC;
- To have all CYCC surpluses vested in the Pugi Fund;
- To spend \$2,000 of CFC funds per Canadian Championship & Zonal and not accept bids from organizers that do not fundraise that amount for the prize fund;
- To increase the use of the Internet for CFC rated tournaments.

Personal Background. I have an undergraduate degree in business administration, MA & Ph.D. in Economics. I am senior economist at the Competition Bureau, Industry Canada. I am married with a daughter 21 in university and a son 11 in competitive hockey.

Appendix C – SECRETARY'S REPORT

I returned to the CFC Executive after an absence of 10-12 years from the scene. Certainly one big change is the fact that all of the work is now pretty much conducted by e-mail, and there are a lot of issues that the Executive deal with in the run of the year.

The main job of the Secretary is preparing the information for the Governor's Letter. After that secondary specific duties include preparing the occasional letter or proposal on behalf of the Executive.

One special project I took on was the reformation of the Tournament Director Committee. While we got some initial discussion going, it will be up to a new (?) Group to come forward and try to get our TD Exam back on the books. This would be the first priority for this group. I'd like to thank Serge Archambault (now CFC Business Manager), Lyle Craver (now CFC Treasurer), and Raymond Stonkus for volunteering this first time around.

I was pleased to be able to serve the CFC in this capacity as Secretary over the past 12 months and look forward to more challenges in the coming year either in this position or elsewhere.

Fred McKim
CFC Secretary
June 11, 2001

APPENDIX D – REPORT OF FIDE REPRESENTATIVE

ANNUAL MEETING OF THE CHESS
FEDERATION OF CANADA
JULY 9, 2001

This is my final report as FIDE representative and Zonal President. My involvement with FIDE spans 34 years, starting in 1967 when I attended my first FIDE Congress in Venice, Italy and made a detailed presentation to FIDE on the merits of using the controlled pairing swiss system in the Chess Olympiads.

I have been the Zonal President and FIDE representative since 1993 and have participated in FIDE meetings in Brazil, Russia, France, Holland, Armenia, Moldova and Turkey. Apart from the annual meetings I have been active in offering constructive input to FIDE on most issues under debate. I will miss the yearly meetings with the many long time friends that I have made through my FIDE associations both during the past seven years and earlier when I acted as a counselor to John Prentice, served on the FIDE Rules Commission for many years and was Chairman of the Pairings Committee for the Chess Olympiads in Israel, Argentina, Switzerland and Malta.

Last fall, I attended the FIDE Congress in Istanbul, Turkey and wrote a detailed report on this Congress for the Governors' Letter. A shorter version was published in the February 2001 issue of *En Passant*.

Several controversial issues are ongoing within FIDE. These include the agreement with FIDE Commerce International, drug testing, the new time control proposal and major changes to the World Championship cycle including the inauguration of

Continental championships.

On behalf of the CFC, I authored and submitted a protest to FIDE on the manner in which the new time control was put in place. A copy is attached. Protests were also submitted by the chess federations of Germany, France, the Netherlands, Spain, and Switzerland.

-

Zonal tournaments this year were supposed to have been concluded prior to the Continental championships. This was not possible in Canada as firm arrangements had already been put in place to hold our Zonal championship in Montreal from August 21-29. After considerable discussion with the FIDE office and the Continental president, we received agreement that the winner of our Canadian zonal would qualify directly for the world championship. Canada is also entitled to have free entry fee and accommodations for our Zonal champion and for two other players in the Continental championship. The event is open to all others who pay all their own expenses.. The top seven players from the Continental championship will proceed directly to the world championship.

After long delay it was finally announced that the Continental championship will be held in Cali, Colombia from August 9-19. The invitation from Colombia is posted on the CFC web site.

The women's Continental championship will be held in Argentina in September. I understand that Canada will be entitled to free entry fee and free accommodation for our zonal champion and one other player. No details are yet available as to the exact dates for this event or the exact location.

I would suggest that my successor initiate communications with the Continental

president and general secretary to confirm final arrangements for both the Continental and the Women's Continental and advise our participants as well as posting final details on the CFC web site. The organizer and the Continental general secretary should be advised of the names of our participants.

The next FIDE Congress will be held in Kallithea, Halkidiki, Greece from September 4-10, 2001. Our new FIDE representative should attend meetings of the Executive Committee, the General Assembly and the Continental meeting. In addition, if Canada has any applications for titles, our representative should attend the meeting of the Qualification Commission and the appropriate sub-committees of the Qualification Commission.

As a member of the CFC executive, I participated in numerous ongoing discussions and votes during the past year. A number of these were highly controversial. The late withdrawal of our fifth and sixth players from our Olympic team was inappropriate and I objected to the fact that the rules were not followed when replacement players were appointed. In the future we will need to run a Canadian Zonal championship and a Canadian Women's Zonal championship each year. One of our objectives should be to increase the stature of these events by having them in first class sites and with substantial prize funds.

I would like to see greater use of the CFC web site for improving communications including publishing of all executive votes. I believe that the rating section and cross-table section of the web site is excellent but that there is room for considerable improvement in using our web site to enhance communications with our members. The frequent turnover of CFC office staff has made progress in this and

other areas difficult.

The CFC executive pay their own expenses to attend the annual meeting and the FIDE representative pays his own expenses globally. A national organization should be able to look after these costs. Apart from other reasons, this would make it easier for more CFC members to run for office.

I would suggest that the new executive make a concerted effort to reach a mutual advantageous agreement with Larry Bevand and Chess and Math.

Obviously, an improvement in CFC finances is necessary to implement some of the above objectives and to implement other betterments. I would suggest that the incoming executive give high priority to improving our financial situation.

P. G. Haley
July 1, 2001

To: President H.E.Kirsan Ilyumzhinov
From: Phil Haley, Zonal President and FIDE representative, Canada

After review with the executive of the Chess Federation of Canada I am in a position to formally advise the following:

1. The Chess Federation of Canada formally protests the manner in which the new time control plan was promulgated. The minutes of the General Assembly meeting in Istanbul make it very clear that the fact that there was no objection to giving the Presidential Board authority in this area was based on the understanding given to the General Assembly that a questionnaire would be given to every player in the Olympiad. This was not done.

2. The Chess Federation of Canada strongly supports the present system of qualifying from Zonal championships directly to the World Championship and strongly supports the continued emphasis on the importance of Zones and Zonal championships and the ongoing ability to win FIDE titles directly as a result of achievements in Zonal championships. We understand that Dr. Pedro Barrera, Continental President of the Americas, feels the same way

3. The Chess Federation of Canada supports the idea of Continental championships qualifying additional players directly to the first round of the World Championship.

4. The Chess Federation of Canada would like clarification of a number of important points including the question of how many players from Canada will be eligible to participate in the Continental championship. We also recommend that Canada and all other single country zones be able to decide internally on how these players will be chosen. That is Canada may or may not decide to use the Zonal championship for determining these qualifiers.

5. Because of the significant prize fund being provided to the Continental championship, the Chess Federation of Canada recommends that their zonal champion be allowed to participate in the Continental championship if he or she so chooses in addition to participating in the first round of the world championship itself. The Zonal champion would be eligible for prizes in the Continental championship but would not take one of the qualifying places for the World Championship as the Zonal champion would have already qualified for the first round of the World Championship. Any Zonal champion who decides to play in the Continental will result in an additional

number of players in the Continental and will not have any impact on the allocated number of entries from each Zone to the Continental.

6. The Chess Federation of Canada proposes that the present time control structure in use in the World Championship be maintained until such time as a thorough player survey is completed. This could be done at the Olympiad in Bled. In the intervening period the proposed new time control system should be tested and evaluated in several major tournaments.

7. The Chess Federation of Canada expresses concern that the Continental championships are planned to be held in July. For the year 2001 in particular this presents two serious problems:

(a). This provides very little time for details to be finalized, bid packages to be prepared and bids to be obtained and compared.

(b). The early date is inconsistent with the plans of any Zones that propose August or later for the date of their Zonal championship.

If FIDE does not change the July timing for the 2001 Continental championships, then each zone should be given the right to determine their qualifiers to the first round of the World Championship and their qualifiers to the Continental championship by some other means rather than by their Zonal Championship.

8 The Chess Federation of Canada expresses general support for the protests of the Chess Federations of Germany, France, the Netherlands, Spain and Switzerland and expresses the opinion that the number and intensity of these protests reflects to a large degree the fact that there was an inadequate

degree of discussion, communication and agreement in advance of decision making.

Phil Haley,
Zonal President and FIDE Representative,
Canada
March 10, 2001

Appendix F – Rating Auditor's Report

The most significant event this year as rating auditor was the rating adjustment to the players in Newfoundland and Labrador. This was done to correct the statistically low rating for that province.

The analysis was performed by comparing the pre tournament rating and performance rating of players from NF who played in tournaments outside of NF. On average these numbers should be approximately equal if there is no deflation with respect to the rest of Canada. What I found was very different requiring an adjustment of as 392 points for many players. The specifics are as follows:

As such the NF rating adjustment is as follows:

- a) Players must be current residents of the province of Newfoundland and Labrador (NF code)
- b) Players must have played at least one tournament held in the province of Newfoundland and Labrador in the last 4 years in the rating category to be adjusted (regular or active)

This adjustment is to be applied to all permanent and provisionally rated players. who meet a) and b) to as appropriate their regular and active ratings.

For players rated 200 - 499 the following formula to be used

$$R(\text{adjusted}) = (R(\text{old}) - 200) * 1.311 + R(\text{old})$$

For players rated 500 - 1399

$$R(\text{adjusted}) = R(\text{old}) + 392$$

For players rated 1400 - 1899

$$R(\text{adjusted}) = (1899 - R(\text{old})) * .78557 + R(\text{old})$$

For players rated 1900 and over $R(\text{adjusted}) = R(\text{old})$

I must add that while this did address the rating problem in NF, it does not address many of the causes of this kind of deflation. In particular the problem of junior players who do not play in CFC rated tournaments or play in very few CFC rated tournaments while at the same time playing in AEM (Association Échecs et Maths) events. In many cases result (notably in NF) they do not have the opportunity to improve their CFC rating. This results in very underrated players, and the problem gets compounded when underrated players play each other. With the current CFC policy of charging 50 cents a player with no membership requirement there is in my opinion very little reason for organizers to refuse to rate their tournaments CFC and deprive many junior players of a rating that corresponds to their ability. While this issue was a significant factor in the underrated situation in NF it is by no means limited to NF and it is very difficult if not impossible to correct for on a national scale.

I can only emphasize what to a statistician would be obvious namely that if one wishes a player's CFC rating to be accurate the player must play as many CFC rated games as possible. This is particularly important for junior players since they can change in strength very significantly over a very short period of time.

Respectfully Submitted
Francisco Cabanas
Rating Auditor.
Prince George, BC, July 2, 2001.

**APPENDIX F –
Junior Coordinator Report**
for the July 2001 Annual Meeting
(prepared by Joshua Keshet).

This is the second year in which the Junior Coordinator is a member of the CFC Executive. It is hard to quantify the exact portion of the Junior program out of the entire yearly CFC activity. But, given the number of junior events, the number of junior participants in other events, and the fact that one third of our National Olympic team were juniors, it is clear that the role of the Junior Coordinator on the Executive is essential.

At the annual meeting of last year I alerted the CFC that there is still a long way to go for us to build the foundations to vital CYCC and other junior programs. I must repeat myself here by saying that there is still a long way ahead of us before we can prove that our initiatives that we put forward in the last three years are to be deemed successful.

Last year was another very active year for me. As in the preceding years, I found myself caught in the middle between forces that were trying to push their own agenda. First, some members of the Executive have views quite different from mine. In addition, chess organizers and promoters throughout the country pursue their own agenda and interests which not always are consistent with the CFC rules and recommendations. Thus, I hereby alert the Governors that there is still mountain of hurdles ahead of us in any attempts of passing and implementing resolution that can move ahead the CFC junior program.

Brief review of some of last year's major events:

1. 2000 CYCC in Edmonton. The event

drew 146 talented Canadian kids who competed to represent Canada in the World Youth Chess Festival (WYCF) in Spain. We qualified 15 boys and 15 girls from this event to play at the WYCF. We also qualified 10 boys and 10 girls to play in the Pan-Am 2001.

2. 2000 World Junior Championship. Danny Goldenberg and Dinara Khaziyeva represented Canada in this very challenging event that took place in Armenia (September 2000).

3. 2000 WYCF. 11 girls and 12 boys (the largest Canadian Team) of our talented youth represented Canada in the event in Spain last Fall.

4. Canadian Junior Championship. We are once again thankful to the FQE and the Montreal Chess League for hosting this yearly event in January of 2001. The format of the event was adjusted this year into a 5 days 9 rounds Swiss. We attracted 40 players (including three girls). The top 3 finishers were: (1) Yaaqov Vaingorten (ON), (2) Mark Bluvshstein (ON), and (3) Lefong Hua (PQ) who qualified to the World Junior. Also qualified to the World Junior were the three girls: (1) Bojana Mitrovic (ON), (2) Anne-Marie Charbonneau (PQ), and (3) Olga Mogilevsky (PQ).

5. CYCC Qualifiers. Activity this year was substantially down compared with last year and the decision of the format of these provincial events have to be revisited.

6. Pan-Am Youth. This event, is marked by the second appearance of a Canadian team. Three of our young talents, Hao Yuan Wang, Amanda Benggawan and Alexandra Benggawan represented Canada in Argentina. 7. 2001 CYCC. At the time that I

am writing this report, we have more than 130 of our Canadian Youths that have registered (of which around 30 are girls). I would like to take this opportunity and thank the parents and guardians of these kids as well as all the volunteers across the country for supporting this important program that better places Canada in the international chess arena.

Interpretation of some of the those initiatives and motions that passed last year and have major implications to juniors:

1. The CFC has expanded its level of support to international Junior events by requiring that all funds raised through the junior program be earmarked for international junior activity.

2. The CFC passed a resolution requiring all juniors (under the age of 18) representing Canada in an international event to be accompanied by an adult.

3. The CFC passed a resolution that allows other (non affiliated) organizations (including the CMA) to run provincial and other qualifying events. In this initiative we indicated that we will be very flexible and will try to meet the needs of any organizer. However, I must admit that I am very disappointed with the response (or in fact the lack of response) by CMA. With this resolution we showed great interest in less confrontation and more cooperation in the scheduling of events, rating them, with the ultimate goal to act united when it comes to the international arena and qualifying Canadian events. Unfortunately, I must repeat what I said last year: "yet, there is no serious interest by CMA to respond". Moreover, and to the contrary, CMA has tried to embark with its own "national agenda" with a dubious "girls championship" and with its own international agenda" in participation in a

second class chess competition in Boston.

4. The CFC renewed the commitment to participate in the Pan-Am Youth and we are to revisit this commitment again with an open discussion at the annual meeting. In addition, there were many more CFC resolutions (some passed and some failed) that were required to deal with the dynamics of the junior program. Despite the fact that in many cases we were not acting in harmony, I would like to thank my colleagues on the Executive for their input, support, critics, and contribution to the healthy debate throughout the year.

Topics that I hereby propose for further discussion by the Governors and/or the Executive during the annual meeting:

1. More CFC sponsored junior activity: Clear opportunities for expansion are in the following:

A. Rating more (or even all) of the Chess-Challenge events (regional, provincial and national) at no cost to CMA. The CFC should put a proposal along this line to CMA without either side acting in a way that they feel threatened by the other side.

B. We must propose and form a joint program with FQE that will result with much better access to the junior arena of Quebec.

C. The CFC should follow the BC example and start sponsoring school team competitions.

2. We must improve the communication lines between the CFC and the Provinces and Territories. This applies specifically to

Ontario where the OCA is having great difficulties in penetrating the scholastic arena.

3. We must decide on the dedication of specific number of Office hours to junior related promotional activities.

4. Now with more Pan-Am experience, it is time to consider further expansion into the international arena. We should, also decide if we are to keep supporting the Pan-Am initiative given recent hardship with the Americas.

5. As mentioned in the past, the Handbook still requires major revisions of its junior sections. The committee that was formed last year did not succeed to be productive so we must revisit the decision about the revision process. The main hurdle that is still ahead of us is clear: how to put together a set of "qualification rules" to national events that are both fair to all provinces and regions, and at the same time encourage more participation in the national events.

6. We keep seeing many of our talented juniors playing over the Internet. Our initiative with ICC is a step in the right direction to accommodate the needs of our juniors. But, we must find other ways to keep our juniors to be more motivated to play CFC rated games.

7. The Olympic initiative that was endorsed by MP Libby Davies has to be followed by more initiatives. The Federal, provincial and local governments have to keep being approached by the CFC and its affiliates for further funding. It is no secret that it is easier to attract funding earmarked to junior and/or for educational purposes. Now, when the foundations were laid, we have to keep lobby among elected officials in all levels of government.

8. We have accepted a bid for 2002 Canadian Junior in Winnipeg, Manitoba. But, we must keep pursuing the issue and convince possible future bidders to form bids well in advance so we can have up to three years of committed scheduling of national Junior and Youth events. It is no secret to any one that most of the events planned well in advance are likely to be more successful than those that were put together in a rush.

9. As a gesture for the great promotion of CYCC in Northern Ontario and the vast participation of kids from this region in the National final, I recommend to the Governors to wipe out any unpaid debt still owed to the CFC by Mr. Rutherford.

As I am stepping down from the Executive, I would like to notify you that I am committed to be available to assist any of the incoming Executive members with assistance or advice whenever asked. Again, I would like to thank you for your support in the last 3 years.

Appendix G – CFC Women's Coordinator Report

I took over as CFC Women's Coordinator early in 2001, after the resignation of Denis Allan, and at the request of President Maurice Smith.

I coordinated the reports of all 4 members of our Women's Olympiad Team. As a result, both the CFC and En Passant magazine received official reports from all of the participants in the Women's Olympiad, as well as the Women's World Championship. I was disappointed that the magazine did not print the reports in full, but that's just the editor doing his job. The Governors received the reports in full.

My next task was to find an organizer for the Women's Championship. Despite several discussions and invitations, Mark Dutton did not re-submit his bid. I then submitted two bids for an event to be held in Toronto (where most of the top players live) in advance of a possible Continental Championship. Each bid was turned down, the first for not conforming to the existing rules (I had proposed a six-player round robin), the second for having an inappropriate time control (active).

Two bids were then submitted, one from Serge Archambault and Chris Collins for Ottawa; and one from me for Toronto. I was not consulted on the bid from Ottawa, and as a result there were important problems with this bid. First, none of the top players live in Ottawa; thus, all of the players would have to travel to the tournament. Among other problems, this causes many unnecessary expenditures on the part of our top players. Second, it was proposed for June, when many of the participants would still be in school. Furthermore, our top players had already used up their work vacation time

attending the World Championship and Olympiad.

The advantages to this bid were that it permitted FIDE titles to be awarded, and that it guaranteed a tournament in advance of a possible Continental Championship. I am disappointed that during the course of many months of discussion, the executive never communicated to me that obtaining FIDE titles was a desired quality for the Championship. Had I known this, I would have submitted a similar bid for Toronto, and we need never have been delayed by the voting process.

The Governors took a vote with a deadline of May 11. Again, I am most disappointed: as of this writing on May 21, Fred McKim, the CFC Secretary, has still not communicated to me the official results of the vote. As Maurice Smith has been aware for some time that I am starting my vacation on the Victoria Day Weekend (and continuing on vacation for 2 months), much time has again been unnecessarily wasted. The CFC Business Office and current executive are to be condemned for their poor business communication practices.

When I receive confirmation of my receipt of the right to host the 2001 Women's Championship, I will make appropriate arrangements for the event upon the conclusion of my vacation, in late July. The event will be held in Toronto on the holiday weekend in early August, hopefully in advance of a possible Women's Continental Championship. The CFC is fortunate that I can make arrangements on short notice; with most organizers this extremely poor - and totally unnecessarily so - communication on the CFC's part would have resulted in the cancellation of this event.

Should my bid be accepted, there are still

two matters for the Executive (or the annual meeting, should these have not yet been decided) to determine. First, Handbook Section 1109 indicates that the Board of Directors determines the Championship's time control. I have proposed 40/2, then game one hour. Second, if there is a Continental Championship, Canada is entitled to one place. How we choose our representative must be determined, both in the case of our championship coming first, and in the case of our championship not being held in time in 2001. I would appreciate being informed of these decisions before the start of the Championship.

The final matter which I would like to discuss is the funding of Women's events. I am in favour of spending money on the Canadian Women's Championship; on sending representatives to the Women's Continental Championship and the Women's World Championship; and on sending a team to the Women's Olympiad. However, in a time of declining memberships and revenues, the Governors must determine the priority these expenditures have.

Fortunately for us, many of our top female players are also juniors, and the future of women's chess in Canada is bright.

Recommendations:

1. I recommend that the CFC require reports from everyone who receives funding to play in an event.
2. I recommend that the CFC publish in the Governors Letter players' reports on funding received.
3. I recommend that the Women's Coordinator be on the Board of Directors; or, that each year, a specific member of the Board of Directors accept responsibility

for Women's issues.

4. I recommend that the second place finisher at the Women's Championship have the right to represent Canada at the Women's Continental Championship.

5. I recommend that, for 2001 only, if the Women's Championship is not held before the Women's Continental Championship, that our representative come from the rating list.

Sincerely,

David Cohen
CFC Women's Coordinator
May 21st 2001

Appendix H - Auditor's Report

(Secretary's Note: This was partially scanned and partially transcribed from the original reports. Apologies for any errors introduced, missing accents, formatting changes, etc).

Ouseley Hanvey Clipsham Deep LLP
chartered accountants

REVIEW ENGAGEMENT REPORT

To the Members, The Chess Federation of Canada
La Federation canadienne des echecs:

We have reviewed the balance sheet of The Chess Federation of Canada / La Federation canadienne des echecs as at April 30, 2001 and the statements of changes in net assets and revenue and expenditure for the year then ended. Our review was made in accordance with generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information provided to us by the Federation.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with generally accepted accounting principles.

The comparative figures are based on financial statements that were reported on by another accountant.

OUSELEY HANVEY CLIPSHAM DEEP LLP
Chartered Accountants.

Ottawa, Ontario
May 9, 2001.

THE CHESS FEDERATION OF CANADA

**BALANCE SHEET
AS AT APRIL 30, 2001
UNAUDITED**

	2001	2000
CURRENT ASSETS		
Cash	\$ 59,943	47,321
Accounts Receivable	9,910	6,374
Inventory	102,948	96,180
Prepaid Expenses	3,589	4,125
	176,390	154,000
CAPITAL ASSETS (note 2)	105,725	110,857
	\$ 282,115	264,857
<hr/>		
CURRENT LIABILITIES		
Accounts payable	\$ 29,358	21,749
Entry fees payable	8,543	9,745
Deferred membership revenue	41,044	43,752
	78,945	75,246
DEFERRED CONTRIBUTIONS (note 3)	17,306	9,049
NET ASSETS		
Invested in capital assets	105,725	110,857
Unrestricted	80,139	69,705
—	185,864	180,562
—	\$ 282,115	264,857

THE CHESS FEDERATION OF CANADA**STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED APRIL 30, 2001
UNAUDITED**

	2001	2000
<hr/>		
REVENUE		
Sales of books and equipment	199,350	186,731
Shipping and handling charges	9,235	7,838
Membership fees	68,681	74,673
Interest income from related party (note 4)	4,522	4,120
Rating fees	18,567	20,105
Publication sales and advertising	7,428	7,279
Donations	13,727	14,537
Other programs (note 3)	29,302	46,587
Other revenue	2,613	5,518
	<hr/>	<hr/>
	353,425	367,388
<hr/>		
EXPENDITURE		
Cost of Sales	128,118	122,750
<hr/>		
General and administrative		
Salaries and benefits	69,020	74,700
Building and equipment expenses	15,569	18,246
Office	31,889	31,665
Other executive and administrative	2,698	1,723
	<hr/>	<hr/>
	119,176	126,334
<hr/>		
Programs		
Publications	52,478	45,655
International	4,989	4,457
National	-	7,504
Grant to clubs and the Foundation	14,060	13,847
Other programs (note 3)	29,302	46,587
	<hr/>	<hr/>
	100,829	118,050
<hr/>		
	348,123	367,134

NET REVENUE FOR THE YEAR	\$	5,302	254
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THE CHESS FEDERATION OF CANADA

STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED APRIL 30, 2001
UNAUDITED

		2001	2000
INVESTED IN CAPITAL ASSETS			
Balance - beginning of year	\$	110,857	117,601
Amortization of capital assets		(5,132)	(6,744)
Balance - end of year	\$	105,725	110,857
UNRESTRICTED			
Balance - beginning of year, as previously reported	\$	75,970	69,662
Correction of prior year's expenditure and revenue (note 5)		(6,265)	(6,955)
Balance - beginning of year, as restated		69,705	62,707
Net revenue for the year		5,302	254
Amortization of capital assets		5,132	6,744
Balance - end of year	\$	80,139	69,705

THE CHESS FEDERATION OF CANADA

NOTES TO FINANCIAL STATEMENTS

APRIL 30, 2001

UNAUDITED

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Organization

The Chess Federation of Canada / La Federation canadienne des echecs was incorporated as a not-for-profit organization under the Canada Corporations Act and is a registered charity under the Income Tax Act. The Federation's mission is to promote and encourage generally in Canada, the knowledge, study and playing of the game of chess.

These financial statements do not include the accounts of the Chess Foundation of Canada as detailed in note 4.

(b) Inventory

Inventory is stated at the lower of cost and net realizable value. Cost is determined using the average cost basis.

(c) Depreciation

Depreciation is provided on the reducing balance basis as follows:

Building	4%
Furniture and equipment	20%
Computer equipment	33%
National library	20%

(d) Revenue Recognition

The organization follows the deferral method of accounting for revenues. Membership fees are recorded as revenues in the period to which they relate. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable or if the amount to be received can be reasonably estimated and collection is reasonably assured.

2. CAPITAL ASSETS

			2001	2000
	Cost	Accumulated Amortization	Net	Net
Land	\$ 20,000	-	20,000	20,000
Building	142,852	61,516	81,336	84,724
Furniture and equipment	5,000	3,275	1,725	2,157
Computer equipment	8,000	5,337	2,663	3,975
National library	2,790	2,789	1	1
	\$ 178,642	72,917	105,725	110,857

THE CHESS FEDERATION OF CANADA

NOTES TO FINANCIAL STATEMENTS

APRIL 30, 2001

UNAUDITED

3. DEFERRED CONTRIBUTIONS

		Olympic Donations	CYCC Program	Kalev Pugi Program	TOTAL
Balance - beginning of year	\$	2,105	5,459	1,485	9,049
Add: contributions		21,481	14,175	1,903	37,559
Less: amount recognized as revenue		(23,311)	(3,991)	(2,000)	(29,302)
Balance - end of year	\$	275	15,643	1,388	17,306

Olympic donations are designated to provide financial support for participation of Canadian representatives in the International Chess Olympiads. The Canadian Youth Chess Championships (CYCC) entry fees cover the cost of sending players to the world championships. The Kalev Pugi Fund was established as a bequest in the Chess Foundation of Canada. Each year interest earned by this Fund is transferred from the Foundation to the Federation to provide travel assistance for junior players.

Contributions to these programs are recognized as revenue in the year in which the related expenditures are incurred.

4. RELATED PARTY TRANSACTIONS

The Chess Foundation of Canada is effectively controlled by The Chess Federation of Canada since the Federation appoints the Foundation's Board of Trustees. The Foundation was established as a trust to financially help the Federation promote and develop chess. Donations of nil (2000 - \$500) and life membership fees of \$2,563 (2000 - \$3,585) have been paid into the Foundation from the Federation. The Foundation has contributed \$4,522 (2000 - \$4,120) in support of the Federation's general operations and \$1,303 (2000 - \$1,303) towards the Kalev Pugi junior program.

The Foundation has not been consolidated with the Federation's financial statements. Financial summaries of the unconsolidated Chess Foundation of Canada as at April 30, 2001 and 2000 and the years then ended were prepared by another firm of accountants and are as follows:

	2001	2000
BALANCE SHEET		
Assets	\$ 112,326	107,662
Liabilities	-	-
Net Assets	112,326	107,662

CHESS FEDERATION OF CANADA

NOTES TO FINANCIAL STATEMENTS

APRIL 30, 2001 UNAUDITED

4. (Continued)

	2001	2000
<hr/> STATEMENT OF RECEIPTS AND DISBURSEMENTS <hr/>		
Receipts	\$ 10,488	9,909
Disbursements	5,824	5,423
<hr/>		
Excess of receipts over disbursements	4,664	4,486
<hr/>		

5. CORRECTION OF PRIOR YEARS EXPENDITURE AND REVENUE

The following corrections have been made to prior years' (expenditure) and revenue:

	To April 30 2000	To April 30 1999
<hr/>		
Write down unsalable inventory	\$ (5,417)	(5,417)
Accrued professional fees	(2,500)	(2,500)
Accrued wages	(1,454)	(1,454)
Donations revenue	1,260	570
Prepaid insurance	1,846	1,846
<hr/>		
	\$ (6,265)	(6,955)
<hr/>		

Ouseley Hanvey Clipsham Deep LLP
chartered accountants

The Board of Directors
The Chess Federation of Canada
E-1 2212 Gladwin Crescent
Ottawa, Ontario
K1B5N1

Dear Board Members:

Re: Management Letter on the Review of
the 2001 Financial Statements

During the course of our review of the financial statements of the Federation for the year ended April 30, 2001, we identified some matters which may be of interest to management. The objective of a review is to obtain reasonable assurance as to whether the financial statements are free of material misstatement and is not designed to identify matters that may be of interest to management in discharging its responsibilities. In addition, a review cannot be expected to disclose defalcations and other irregularities and is not designed to express an opinion as to whether the systems of internal control established by management have been properly designed or have been operating effectively.

As a result of our observations on this year's review, we have outlined below some suggestions for your consideration. This letter is not exhaustive, and deals with the more important matters that came to our attention during the review. Minor matters were discussed with your staff.

A. ADJUSTMENTS TO YEAR END BALANCES AND PRESENTATION

Numerous changes were required to the financial statement presentation to bring them into conformity with the Canadian Institute of Chartered Accountant guidelines for not-for-profit organizations as set forth in Section 4400 of their handbook.

This involved restatement and correction of certain figures in the 2000 comparative information.

Besides changes in groupings and presentation, adjustments to the statements that had been prepared by management were

as follows:

1) An additional allowance for doubtful accounts of \$1,500 was set up to provide for accounts that may prove to be uncollectible.

2) Inventory was reduced by \$5,417 to reflect the problem of salability of certain stock -the main items considered here are the chess boxes which are moving slowly in relation to their quantities. We recommend that 50% of their cost be written down this year. We understand that management has plans to market these boxes to major retail outlets. Any additional future write-downs of this inventory could be reassessed in the light of the upcoming year's marketing results. This has been recorded as a prior year adjustment.

3) A portion of the building, \$20,000, was set up as relating to land. And the national library has been classified as one of the components of capital assets. These changes have resulted in an adjustment to reduce depreciation by \$688.

4) Vacation pay had been incorrectly calculated, resulting in an adjustment to reduce wages expense by \$1,246.

5) Certain accrued liabilities had not been recorded totalling \$3,954. This includes a \$2,500 accrual for professional fees and \$1,454 in accrued salaries. Since these items were omitted in previous years, they have been recorded as prior year adjustments. There was an additional accrual for \$300 postage that was not set up.

6) Proper accounting practice is to record undesignated donations as revenue in the period in which they are received. This has resulted in an adjustment of \$928 to increase revenues, of which \$1,260 relates to prior years.

7) Prepaid insurance of \$1,846 had not been recorded this year and similar amounts in prior years.

B. ACCOUNTING SYSTEM AND OTHER RECOMMENDATIONS

1) The Federation is currently using customized Access database software for membership, inventory control and to maintain the overall accounting records. Although this software may be serving the Federation well in certain respects, it does present some problems and challenges in terms of the financial record keeping:

a) Certain financial analyses and reports are cumbersome to produce and the system has limitations in terms of when these analyses and reports can be produced.

b) Customized financial software will result in significantly higher professional fees paid for review or audit engagements.

c) In some instances we noted that the ledger control accounts were out of balance with the detailed supporting records.

d) Customized software will often result in substantial additional training time to train new personnel when there is staff turnover.

For the above reasons, we recommend that you consider QuickBooks Pro, an economical software widely used by small associations and businesses, to maintain the accounting records, including inventory. The Federation could continue to use the existing Access software to maintain membership records.

2. We noted that there has been a decline in

memberships. Since this has long term financial ramifications, we recommend that the Federation develops a marketing and communications plan to address this issue. The Canadian Society of Association Executives, National Capital Region Chapter, will be offering two days of marketing and membership training this year at an affordable cost.

We have discussed all of the issues in this report with Chris Collins and received his comments thereon. We would also like to express our appreciation for the co-operation and assistance which we received during the course of our review from the staff. We shall be pleased to discuss with you further any matters mentioned in this report at your convenience.

This communication is prepared solely for the information of management and is not intended for any other purpose. We accept no responsibility to a third party who uses this communication.

Yours truly,

OUSELEY HANVEY CLIPSHAM DEEP
LLP

Per: Brian Watson CA

CC: Serge Archambault

Appendix I – TREASURER'S REPORT

OVERVIEW

The past year was marked by increasing book and equipment sales, good control of costs but saw a decline in membership revenue and rating fees. What this implies in terms of membership ought to be the Assembly's #1 concern for 2001-2002.

Financial operations and transactions are now almost entirely electronic and work very well. Cheque runs are authorized weekly and the operation is cost efficient.

INTRODUCTION

[I should first start by noting that I became CFC Treasurer in January 2001 after being one of the more active CFC Governors for several years and BC Chess Federation treasurer since 1991. As such while not 'in the loop' for the first half of the year I have familiarized myself with the Federation's operations. In my career outside chess I am manager of a jeweler's supply wholesaler operating both locally and nationally via mail order. I am very familiar with importing and customs procedures. The mail order portion of our business has sales roughly twice that of the CFC. As such I have viewed my role as CFC Treasurer both from an accounting point of view while also offering business advice where needed.]

I am writing my report with the assumption that the Assembly has read the financial statements as well as the comments of Mr. Brian Watson, CA of Ouseley, Hanvey, Clipsham and Deep. Accordingly I intend to highlight the main issues raised by these statements and how we can improve our financial picture in 2001-2002 and beyond.

It was suggested this year that rather than a full audit of the CFC's activities we should conduct a 'Review Engagement'. Given the cost which is about 1/3 of a full audit I agreed once satisfied that following this route would not create problems with

Revenue Canada or with the CFC's charitable status. This engagement pinpointed several previously overlooked areas in the CFC's accounting.

During 2000-2001 the CFC's financial health continues to improve with a small but solid surplus. Barring any unforeseen circumstances we should also be able to achieve a surplus in 2001/2002.

I can echo my predecessor's view that 'from a strictly "mechanical" aspect, the accounting functions in the office work satisfactorily' which is no mean feat given the staff turnover in the Business Office in the past year. I am also pleased with the attention to cost control in the Business Office. I also note that we have had another year without bad debts. This is a credit to the Office. A high priority of the Executive in 2001-2002 needs to be to carefully pay attention to staff turnover issues in the Business Office.

The one serious dark cloud on the CFC's horizon remains membership revenues which are down roughly 8% from last year. Given membership statistics (which I would like to see published regularly by province in the Governors' Letter) a small portion of this may be due to declining junior revenues (since in junior-only events membership is no longer required) but I do not believe this is the whole story as CFC revenue from rating fees is also down 8%. Certainly the source of junior revenue seems to be shifting from junior memberships as such to revenue from the CYCC cycle.

Accordingly the CFC's efforts in coming years must focus on increasing our revenue base. In 1999 my predecessor Peter Stockhausen suggested we needed to reach the \$600,000 level. I believe this is reasonable and attainable. In the long run this is the only viable method of ensuring the long-term survival of the CFC and all Governors need to keep this in mind.

Some suggestions are:

Each affiliate increasing efforts to encourage now inactive past members to become active

both through tournaments and club activities. I would like to see the Business Office regularly report to the provincial affiliates the names and addresses of all members whose memberships have expired in the last 3-12 months.

Increase the CYCC cycle by involving more schools. An example of this type of activity was the Vancouver York House team tournament in February which while not strictly a CYCC event (though most of the organizers were also involved in CYCC) involved 33 teams and over 150 students.

Encourage players to view the CFC (rather than Amazon.com and other dealers) as their primary source of books and equipment. This is OUR organization and despite a weakened Canadian dollar we have for the most part priced ourselves competitively. Given our sales per member are up we seem to be getting this message out but Governors and organizers still need to "preach the gospel" in this area.

I must not finish without a word of praise on the CFC's web site. There is no doubt that the CFC's web site has been and continues to be one of our strongest assets from the perspectives of (a) keeping players informed and up to date on CFC activities, (b)

providing the services players expect from us and (c) as a key part of our marketing both to members and the outside world.

OTHER COMMENTS:

I strongly urge the Assembly to carefully read Mr. Watson's comments in section B of his report concerning the Accounting system and the need for a marketing and communications plan. I concur with Mr. Watson's views on accounting software particularly with respect to his point (b) concerning professional fees. I have long felt we are not paying sufficient attention either nationally or provincially to making use of the media in publicizing our events. I think this is particularly true of junior events but there is no doubt both the CFC and our affiliates could and should be making more use of press releases. All of us need to remember that raising the profile of our favorite pastime ("marketing" if you will) to our communities is a key part of what we do.

I am impressed with the present CFC budgeting system. Despite dislocations due to staff turnover we need to go on with this in 2001-2002.

Lyle Craver
Treasurer

Appendix J – BUSINESS MANAGER'S REPORT

I've been working for the CFC for the last 3 months only. Therefore my report will be incomplete. It seems to me it will look more like "a first impression" but I'll do my best to cover all fields I've worked on since my first day in the Office.

Sales:

1. Book sales decreased this year. This can be attributed mostly with products more available through Internet. One other reason might also be that we seem to have some problems in getting our orders from our supplier in a decent amount of time.
2. Equipment sales were up by more than 12 000\$. One of the major reasons would be that the CFC offers good products at good prices. Our customers are loyal, seemingly satisfied with the service we provide them.
3. Computer and software almost doubled this year. Internet and all related items should be considered the main reason. Of course Fritz 6 and Chessbase 8.0 are still very good sellers.

Purchases:

1. For books our costs went from 61,0 % to 59,5 %, showing a stable enough business relationship with our suppliers
2. As for equipment, once again a small leap from 54,8 % last year to 54 % this year helped us make more profit with good equipment sales.
3. Computer and software products went down from 58,4 % to 57,6 % also showing that our cost control is very consistent.

Shipping and handling:

Completing our second year with Canada Post. This year was not as satisfying as last year (9235,18 \$ in shipping revenue as compared to 9685,91 \$ in expense) creating a 4,5 % loss. This has been created by the fact that more and more we ship large orders that would be cheaper, had they been sent with different companies (APEX, UPS, etc...). However the delivery service is still quite fast.

Future Markets:

This year the CFC was able to get "a new friend", organizing monthly tournaments with Internet Chess Club. After 5 months, we already can see that we are getting benefits from it. Every month this event gets us new members. The CFC should keep looking toward Internet collaborations in the future. The CYCC is also strong and alive. Year after year we are getting better results with the kids. More than ever, volunteers take part in the whole process; therefore we get more and more kids interested in chess.

Projects:

Like you already know, our costs are about the same year after year. If we still want to be competitive we will have to "look around" a little bit more closely. I believe that it is realistic to anticipate costs reduction by at least 5% over the next year. One way of achieving that is to offer a wider variety of products without only filling shelves. The Office is working very hard in order to achieve that.

The Executive should also put their energy into maintaining long term employees. Continuity in the Office would contribute to higher productivity. A good working relation between the employees in the Business Office is also something that shouldn't be underestimated.

Serge Archambault
Business Manager
Chess Federation of Canada
Fédération canadienne des échecs

Appendix K - Chess Foundation Report

(Secretary's note: The following report is hand copied from the original)

THE CHESS FOUNDATION OF CANADA RECEIPTS AND DISBURSEMENTS YEAR ENDED APRIL 30, 2001

RECEIPTS		
Donations and memberships	\$	2,562.55
Interest		7,925.19
		<hr/> 10,487.74
DISBURSEMENTS		
Chess Federation of Canada		4,521.56
Pugi Memorial Fund		1,302.80
		<hr/> 5,824.36
EXCESS RECEIPTS		<hr/> 4,663.38

ASSETS ON HAND

	Cost	Market Value
<hr/>		
Wood Gundy - cash	\$ 3,366.37	3,366.37
4,000 Toronto Dominion, 6.0%	4,000.00	4,000.00
25,369 Prov of Ontario cpn, due June 2001	20,900.00	25,268.29
12,534 Prov of BC cpn, due Feb 2004	9,799.23	10,813.33
49,300 Ont Hydro, 6.27%, due June 2002	42,691.88	46,770.42
22,000 Royal Bank 5.4% due 2003	21,767.64	22,107.14
		<hr/>
	\$ 102,525.12	112,325.55

LIABILITIES

Pugi Memorial Fund (8% *\$16,285 principal)	\$ 1,302.80
<hr/>	
Chess Foundation of Canada	
Interest of \$7,925.19 less \$1,302.80 accruing to Pugi Fund	6,622.39
<hr/>	

Appendix L - Kalev Pugi Fund Report

(Fund Committee: Joshua Keshet, Robert Webb, Lynn Stringer)

The amount that was available to spend during the last fiscal year was around \$1300.

The available fund was awarded only well into the second half of the fiscal year:

\$400 was awarded to Mark Bluvstein to assist with his travel to the Oakham, United

Kingdom International tournament.

The three participants of the Canadian team to the Pan-Am Youth Festival in Argentina were awarded with travel CFC support of \$800 each of which a portion came out of the Fund:

\$250 was awarded to Hao Yuan Wang.

\$250 was awarded to Amanda Benggawan.

\$250 was awarded to Alexandra Benggawan.

Appendix M – En Passant Editor's Report

For the most part, the publication of En Passant magazine continues to run very smoothly. Several software upgrades over the last year or so have helped automate the workflow to an even greater degree, and I am now able to present the printer in Ottawa with a fully industry standards compliant set of digital pre-press files for high-resolution output. Meeting these standards is becoming increasingly important, as the printing industry keeps pushing ahead on the digital frontier with technological innovations to both improve output quality and lower production costs...

My working relationships with Troy Vail and David Miriguay were absolutely terrific, and I look forward to getting better acquainted with the new faces at the office in the near future. This concern is especially important to me since these sudden staffing changes have made it difficult recently to maintain adequate communications and receive a normal level of service from the head office, but I am hopeful that this is only a temporary situation.

On a very positive note, both Troy and David have assured me on several occasions that the number of complaints the office receives related to the magazine have consistently been at an all-time low ever since I took over the editorship three years ago. I generally try to be very responsive to reader inquiries, and can also report that negative feedback to the editor is extremely rare. In any case, I would like to encourage any of the assembled Governors to contact me with their feedback or any ideas about how to make the magazine even better.

So far my comments have been rather general, but there is one specific item that I think might be worth investigating: the CFC may well be able to save some money by moving the magazine printing to Saskatoon. Not only would the editor have additional control over the printing process, and thus offloading proofing duties from the office staff, but I suspect that printing costs here on the prairies would compare quite favorably

with those in the Ottawa area. The magazine, of course, can just as easily be distributed from here, with the office simply forwarding an updated database listing of current member addresses to a mailing house and/or post office here instead of Ottawa. Perhaps this possibility can be discussed at the AGM...

**Appendix N - 2002 Canadian Open & CYCC Bid
Montreal (FQE)**

(Secretary's Note: scanned from the original. Sorry for lack of accents and any other errors introduced.)

Presented by: The Quebec Chess Federation
 Fédération québécoise des échecs
 Mr. Stephane Beaudoin (President)

Responsible: Richard Berube (Director general)

To: Chess Federation of Canada
 Mr. Maurice Smith (President)

Contents:

Letter of introduction
The organizer: the Quebec chess fédération
CYCC 2002
Canadian open 2002

Montreal, June 10 2001

Mr., Maurice Smith

It is with great pleasure that we present this bid to hold the 2002 Canadian youth chess festival combined with the 2002 Canadian open chess championship in Montreal. It has been a long time that the Canadian open was held in Quebec. In fact, the Canadian open was not presented in Quebec in the last 20 years. We are interested to mix the two tournaments together as was the case in the recent years. Our objective is to get about 150 players for the CYCC and around 325 for the Canadian open. One day will separate the two tournaments. This will permit to attract players from the CYCC to the Canadian open. In the case of the Quebec open for the year 2002, the tournament will simply retire for one year.

I invite you to read to consult the next pages. You will find all the necessary explanations about the dates, format, procedure and rules we are proposing for the tournaments.

Best regards,

Stephane Beaudoin
Federation quebecoise des echecs
President

The Quebec chess Fédération quebécoise des échecs (FQE)

The Quebec chess fédération was constituted in 1967 under the name "Fédération des joueurs d'échecs du Québec inc." Ten years later the name was changed for "Fédération québécoise des échecs". The Quebec chess fédération is a non profit organisation incorporated under the Quebec laws. The fédération is recognized by the government of Quebec (ministry of culture) and is subsidized by the program "Politique de reconnaissance des organismes nationaux de loisir et de sport". It's annual meeting is held during the Quebec open at the end of July.

The FQE runs championship events every year:

- Quebec invitational championship (CIQ)
- Quebec women championship
- Quebec open
- Quebec intercollegiate championship
- Quebec youth championship
- Quebec class championship
- Quebec junior championship

The headquarter of the FQE is situated at the Olympic stadium in Montreal. The fédération is regrouped with other federations and associations under the umbrella of Regroupement loisir Québec. This permit the FQE to have access to a multitude of services (printing, mailing, lawer, rooms, graphics, banking, internet, etc.) at very good prices.

The Quebec chess fédération has been constituted the following objects:

1. Promotion of the study, learning and practice of chess,
2. Organisation of tournaments, meetings, congress at every level,
3. Publication of bulletins, magazines, books or anything related to chess,
4. Organisation of lessons,
5. To regroup clubs, leagues or other chess associations,
6. To inform his members about its activities.

Services and products

The most important activities of the fédération are:

- The administration of a rating system
- The making and promotion of a set of rules of competitive chess
- The formation of arbiters and trainers
- The editing of a magazine and books
- The organization of national tournaments
- The support to the Quebec chess elite
- The financial support to the leagues (regional associations)
- The technical support to the organizers

Canadian youth chess championship 2002

The following is our proposition to organize the CYCC 2002 in Montreal. The budget surplus will be reinvest in the Canadian open 2002. The tournament will be a 7 rounds swiss system. The conditions are not finals. It can be changed on a mutual agreement basis.

Date: July 9-10-11-12 2002

Place Cegep du Vieux-Montreal
255, Ontario street east in Montreal (near metro Berri-Uqam)

Entry fee: 150\$ per player according to CFC rules

Schedule: July 9 rounds 1-2 at 10 ~n and 4pm
July 10 rounds 3-4 at 10Am and 4 pm
July 11 rounds 5-6 at 10~ and 4pm
July 12 rounds 7 at 10 pm; tie breaks at 4pm.

Time control: 30 moves /90 minutes + 1 hour! mate

Other activities: Friendly games with the giant chess pieces (5 feet tall) of the city of Montreal. The tournament will be at the heart of the Just for laugh festival. The festival, with the collaboration of the FQE, the Stewart Museum, the Fort de l'île Ste-Hélène and the city c Montreal will perform a living chess game with real soldiers and horses. A Simul will also take place on July 12 at the end of the tournament with GMs participating in the Canadian open.

Budget:

REVENUES (based on 150 entries)

Entries	22 650
Total	22 650

EXPENSES (based on 150 entries)

CFC share	7500
Rent	2 500 (Cegep du Vieux-Montreal for 4 days)
Arbiters (2)	800
Prizes	500 (Trophies and medals)
Material	700 (Tournament papers + computers)
Publicity	1 000
Drinks and others	500
Rating fees	300
Simul	500
Souvenirs	350 (For players)
Internet	350 (a web master responsible for the site)
Total	15 000
Surplus	7650

Canadian open chess championship 2002

Date: July 13 to 21

Place: Cegep du Vieux-Montreal

System: 255, Ontario street east, Montreal (near metro Berri-Uqam)
Swiss pairings accelerated of 9 rounds, single section (over 9 days) CFC, FQE and FIDE rated

Prizes: 12 000 \$ based on 250 entries (10 000\$ minimum guaranteed)

Entry fee: 75\$ (50\$ under 20) 10\$ more after July 1st 20\$ more at the site. FM, IM, GM: free

Schedule: Saturday, July 13 — round 1 at 1 pm
Sunday, July 14 — round 2 at 10 pm; round 3 at 5 pm
Monday, July 15 — round 4 at 6 pm
Tuesday, July 16 — round 5 at 6 pm
Wednesday, July 17 — round 6 at 6 pm
Thursday, July 18 — round 7 at 6 pm
Friday, July 19 — round 8 at 6 pm
Saturday, July 20 — round 9 at 11 am

Time control: 40/2, sd/60 minutes.

Blitz: Quebec open blitz championship (5 min)
1100 \$ in guaranteed prizes
July 20 at 7 pm
Entry fee: 15\$ for all.

Active chess: Quebec open active chess championship (25 min)
1500\$ in guaranteed prizes
Sunday July 21 at 10pm
Entry fee : 25\$ for all

CANADIAN OPEN 2002 BUDGET

REVENUES (Based on 250 entries)

Entries	17 500 (250 x 70\$ average fee)
Surplus CYCC	7650
Canteen	2 000
Total	27 150

EXPENSES (based on 250 entries)

Prizes	12000
Rent	4 400 (Cegep du Vieux-Montreal, taxes included)
Arbiters (4)	1 700
Publicity	1 400
Rating fee	600 (CFC+FIDE)
CFC membership	1150 (230 x 5\$, tournament membership for Quebec players)
GM (3) invitation	3 000
Material	1 000 (NCR score sheets + DGT top board + projector)
Canteen	2 000 (beer permit, beer, drinks, sandwiches, etc)
Total	27 150

SPECIAL CONDITIONS:

The Canadian open and the Quebec open will be mixed together. 5\$ per player will be paid by the organizer to cover the charge of the CFC membership fee tournament for Quebec players who are not member of the CFC. The CFC membership will be required otherwise (players outside Quebec).

The CFC will have the right, free of charge, to expose books and equipment and proceed to sales.
Accommodation : Nearby the playing site there is many hotels to all budget. Next is a short list.

Crowne Plaza metro centre (at the corner of Sherbrooke and Berri): 85\$/person (2 min. from playing site)

Taj mahal (corner of St-Hubert and Maisonneuve) : 65\$/night (3 min. from playing site)

H6tel Castle St-Denis (corner of Sherbrooke and St-Denis) : 60\$/night (2 min. from playing site)

Auberge des Gouverneur (corner of St-Denis and Ste-Catherine) 95\$/night (3 min 30s from playing site)

L 'Institut d'H6tellerie (on St-Denis street) 75\$/night (2 min 30s from playing site)

Chdteau Argoat (in front of Crowne Plaza) 65\$/night (1 min 45 s from playing site)

Residence of McGill University 25 \$/night (15-20 minutes from playing site)

There is also about 15 bed and breakfast around (30\$ to 50\$/night).

**Appendix O - 2002 Canadian Closed & Women's Closed
Toronto (David Cohen)**

TO: Chess Federation of Canada
May 20, 2001

I bid for the Canadian Closed Championship for 2002 as per CFC Handbook Section 8.
Details:

Organizer: David Cohen
Location: Toronto, Ontario
Dates: Saturday, July 20, 2002 through Sunday, July 28, 2002
Rounds: nine (one per day)
Format: Swiss, as per Handbook. Time Control determined by Board of Directors, as per Section 809.

Prize fund is based on entries. Major expenses are room rental \$675; FIDE rating fee \$50; accommodation for Canadian Champion and runner-up; travel of Champion to World Championship.

I bid for the Canadian Women's Closed Championship for 2002 as per CFC Handbook Section 11.

Details:

Organizer: David Cohen
Location: Toronto, Ontario
Dates: Saturday, July 20, 2002 through Sunday, July 28, 2002
Rounds: nine (one per day)
Format: Swiss, as per Handbook. Time Control determined by Board of Directors, as per Section 1109.

Prize fund is based on entries. Major expenses are room rental \$675; FIDE rating fee \$50; accommodation for Canadian

Champion.

Note: If both bids are accepted, then the room rental expense will only be counted once, as the two events will be held at the same location.

Sincerely,

David Cohen
CFC Governor
National Tournament Director

**Appendix P - Revised Bid
2002 Canadian Closed & Women's
Closed
Toronto (David Cohen)**

I bid for the Canadian Closed Championship 2002 and the Canadian Women's Closed Championship 2002 as follows:

Canadian Closed Championship 2002

Organizer: David Cohen

Experience: Organized and directed the following events:

2001 Canadian Women's Closed Championship

1987 Canadian Cadet (Under 16) Championship

1986 Canadian Cadet (Under 16) Championship

1984 Pan-American Intercollegiate Team Championship

1984 Canadian Open Championship

Tournament Director: David Cohen

Qualification: CFC National Tournament Director

Dates: May 4-12, 2002

Site: Dutton Chess Club, main playing room, 2nd floor,
1681 Bayview Avenue, Toronto, Ontario

Format: 9 round Swiss, 1 game/day

Time control: determined by CFC Board of Directors

All details as per CFC Handbook, Section 8.

Budget (based on 40 players)

Revenues

Entry fees: 38 players @\$200/player \$7,600

Expenses

First prize (includes travel component) \$4,000

Chess facilities and services (includes room rental, chess boards, chess pieces, non-digital clocks if required, typing of games, internet posting of tournament information, tournament director) \$2,175

Accommodation for Champion and Runner-up \$1,000

CFC Rating fee 40 players @ \$2/player \$80

FIDE Rating fee \$50

Misc. \$295

Canadian Women's Closed Championship 2002

Organizer: David Cohen

Experience: Organized and directed the following events:

2001 Canadian Women's Closed Championship

1987 Canadian Cadet (Under 16) Championship

1986 Canadian Cadet (Under 16) Championship

1984 Pan-American Intercollegiate Team Championship

1984 Canadian Open Championship

Tournament Director: David Cohen

Qualification: CFC National Tournament Director

Dates: May 4-12, 2002

Site: Dutton Chess Club, main playing
room, 2nd floor,
1681 Bayview Avenue, Toronto, Ontario

Format: 9 round Swiss, 1 game/day

Time control: determined by CFC Board of
Directors

All details as per CFC Handbook, Section
11.

Budget (based on 18 players)

As per financial statement submitted for
2001 Canadian
Women's Championship, with the following
2 changes:

Cash prizes: \$380 (an addition of \$280)

Book gifts: \$270 (a reduction of \$280)

The book gifts will not be purchased from
Chess Shop

Sincerely,

David Cohen
CFC Governor

rookknightrook@yahoo.com
(416) 707-6400

**Appendix Q - 2002 Canadian Closed Bid
Richmond, BC (BCCF)**

British Columbia Chess Federation
P.O. Box 15548
Vancouver, BC
V6B 5B3

Friday September 7th 2001

Mr. Dale Kirton
President
CFC
2212 Gladwin Cres. E-1
Ottawa, ON
K1B 5N1

Via E-mail

Dear Dale,

It is with great pleasure that we submit on behalf of the BCCF the attached bid for the 76th Canadian Zonal/Closed Championship. Indeed it has been 36 long years since the "Closed/Zonal" has last been held in British Columbia.

We are confident that the details show that this is a tournament that will please our players, will showcase the CFC, the BCCF and chess in general in a very positive light and is financially sound.

The bid is a truly "collaborative" effort as many individuals have provided input in order to get the best possible final result.

We also like to advise you that **we have raised so far \$4.000** from three (3) corporate and two (2) private sponsors. And our fund-raising drive has just begun!

If you have any questions, please do contact me via e-mail or at 604 377 7552 or 604 276 1111.

We appreciate if you can discuss this bid with the Executive of the CFC and we are looking forward to a final decision no later than **12 Noon Pacific Time on Friday, September 21st 2001.**

With best personal regards,

Peter Stockhausen
Cc BCCF Executive via E-mail

**2002 Canadian Zonal Championship
Richmond, BC
Executive Summary**

Objectives:	<p>To determine a clear Winner and 2nd and 3rd place.</p> <p>To provide a tournament that will be supported and enjoyed by the majority of Canada's strong players.</p> <p>To showcase the CFC and chess in general in a positive light to the sponsors, the media and the chess public in general.</p>
Location:	British Columbia has not seen a Canadian Closed or Zonal for 36 years .
Timing :	Our Qualifiers have to be announced to FIDE by May of 2002, so the week including the Easter weekend is ideal. This is also the ONLY time frame that such an advantageous room rental can be secured.
Publicity:	Opening and Closing Receptions have been set up. The Mayor of Richmond and the Premier of British Columbia will be invited, so will be representatives from the different media.
Internet:	A comprehensive web page will reside on the CFC web site. It will list all advance entries, rules and regulations, tournament details etc. During the tournament it will be updated seamlessly from the site, including pairings, results, crosstables, pictures etc. Between 2 and 4 games will be covered "live". So ALL the web traffic will go over the CFC Web site. Lots of opportunity to sell and make the CFC look good all around.
Format:	We propose an 11 round Swiss, as this reduces the likelihood of a tie and allows for some more entries at the lower end of the rating spectrum (which increases revenues!) without unduly affecting the upper half of the tournament table.
Eligibility:	<p>We have provided for the affiliated provinces the opportunity to select up to three additional players which may not meet the 2250 cut off, but are felt to deserve an entry because of their serious approach to chess.</p> <p>In addition we ask that the "general eligibility" be set at CFC 2200</p>

- Entry Fees:** We have provided for a schedule that allows our strongest players free entry. The Entry Fee increases as the rating decreases. This should insure that at the lower end of the rating spectrum only serious players enter.
- CFC Contribution:** It is imperative that the CFC support the National Championship in a meaningful way, while at the same time keeping in mind the limited financial resources available. We feel strongly that the scenario presented is a prudent compromise.
- Time Controls & Tie Break :** These will be worked out with the CFC and FIDE but the final details should be posted no later than January 1st 2002.
- Attendance:** If the tournament is awarded to the BCCF, we will run a comprehensive campaign, geared at attracting as many masters as possible to the tournament.
- Fund-raising:** We will continue to run a fund-raising drive right up to the beginning of the tournament with the goal of exceeding our target.

**2002 Canadian Zonal Championship
Richmond, BC**

Location	Delta Pacific Resort & Conference Centre 10251 St. Edwards Drive Richmond, BC 604 278 9611								
Hotel Facilities	Indoor Tennis and Squash courts, Exercise Room, Saunas, Indoor Pool, Hot Tub and Water slide, Restaurant, Bar and 24 hour Room Service.								
Playing Room	<p>Located on the Convention floor, the rooms are carpeted, quiet, well lit and have good temperature control. A separate analysis room is provided</p> <p>During the rounds complimentary coffee, tea, soft drinks and juices are provided for the players.</p>								
Publicity	<p>TV, radio and print media will be invited to both the Opening and Closing Receptions. At the Opening Reception will be an official photo session.</p> <p>Both the Mayor of Richmond and the Premier of the Province will be invited to the Opening and the Closing Ceremony.</p> <p>A comprehensive web page will provide Internet coverage. It will reside on the CFC web-site as of the date of awarding the Championship. Between 2 to 4 games will be covered live. (The web page is a template so it can be used for subsequent tournaments.)</p>								
Dates	Thursday, March 21st 2002 to Tuesday, April 2nd 2002								
Type	11 Round Swiss, Single Section								
Schedule	See attached								
Time Control	TBA								
Tie Breaks	TBA								
Prize Fund	\$11.000 (based on 35 paid entries)								
	<table><tr><td>1st</td><td>\$3.000 + Airline Ticket to WCC</td></tr><tr><td>2nd</td><td>\$1.700 + Airline Ticket to CCC</td></tr><tr><td>3rd</td><td>\$1.200 + Qualification to CCC</td></tr><tr><td>4th</td><td>\$1.100</td></tr></table>	1st	\$3.000 + Airline Ticket to WCC	2nd	\$1.700 + Airline Ticket to CCC	3rd	\$1.200 + Qualification to CCC	4th	\$1.100
1st	\$3.000 + Airline Ticket to WCC								
2nd	\$1.700 + Airline Ticket to CCC								
3rd	\$1.200 + Qualification to CCC								
4th	\$1.100								

5th	\$1.000
6th	\$ 900
7th	\$ 800
8th	\$ 700
9th	\$ 600

Rated FIDE and CFC

Norms IM = 7,5 Points; FM = 5,5 Points

Entry Fees	Defending Champion & Runner Up	Free
	GMs and IMs	Free
	Players CFC 2250+	\$200
	Players between 2249 and 2150	\$250
	Players below 2150	\$300

Odd Number of Players There will be a “stand by” player of the appropriate rating in case of an odd number of players.

Accommodation The Delta Pacific Resort will make rooms available at the following daily rate:

Single (1 Player to a room) \$60.00
Double (2 Players to a room) \$70.00
Triple (3 Players to a room) \$84.00

Other Hotel Services Complimentary Airport Shuttle Bus Service between the Airport and the hotel upon arrival and departure.

Twice daily complimentary Shuttle Bus Service between the hotel and Richmond Centre.

15% discount on food purchased in the hotel Restaurant and Bar for all competitors.

TDs Mrs. Lynn Stringer
Mr. Mark Barnes
Mr. Lyle Craver

Organizers Right The Organizer (BCCF) has the right to appoint up to six (6) players to the Championship provided the CFC rating of the players is 2050 or higher. These appointees are subject to the regular Entry Fee paid either by the individual or by the BCCF.

Prov Affil. Privilege In addition to the appointment of their respective champion, each provincial Association that is an affiliate in good standing shall be entitled to appoint three (3) additional players, provided the CFC rating of the player is 2050 or higher. These appointees are subject to the regular Entry Fee paid either by the individual or by the respective Provincial Association.

Organizer Peter Stockhausen on behalf of the BCCF and the CFC.

Other Outstanding issues such as tie-break, time controls etc. shall be resolved between the organizing committee and the CFC Executive.

The Organizer (BCCF) has the right to purchase up to \$300 worth of equipment and books from the CFC at cost + shipping and will use these items for the running of the tournament and NOT for resale.

2002 Canadian Zonal Championship
Richmond, BC
Schedule

Date	Day	Time	Activity
21/3/2002	Thursday	1 PM	Players Meeting
21/3/2002	Thursday	2 PM	Press Reception
21/3/2002	Thursday	3 PM	Round 1
22/3/2002	Friday	3 PM	Round 2
23/3/2002	Saturday	3 PM	Round 3
24/3/2002	Sunday	10 AM	Round 4
24/3/2002	Sunday	4 PM	Round 5
25/3/2002	Monday	3 PM	Round 6
26/3/2002	Tuesday	Rest day	Rest day
27/3/2002	Wednesday	3 PM	Round 7
28/3/2002	Thursday	3 PM	Round 8
29/3/2002	Friday	3 PM	Round 9
30/3/2002	Saturday	3 PM	Round 10
31/3/2002	Sunday	3 PM	Round 11
31/3/2002	Sunday	7 PM	Closing Ceremony

2002 Canadian Zonal Championship**Richmond, BC****Budget****Income**

Champion/ Runner Up	2x\$200	\$ 400	(From CFC)
Provincial Champions	5x\$200	\$ 1.000	(From Prov. Ass.)
Other GM/IM	5x\$0	\$-	
Other Players	15x\$200	\$ 3.000	
	8x\$250	\$ 2.000	
	8x\$300	\$ 2.400	
CFC Contribution		\$ 3.000	
Sponsorship		\$ 6.000	
Total Income		\$17.800	

Expenses

Cash Prize Fund	\$11.000
Rent	\$ 2.000
TD Expenses	\$ 900
Rental Expenses	\$ 250
Miscellaneous	\$ 750
Reception Expenses	\$ 1.300
Rating Fee	\$ 100
Total Expenses	\$16.300

Surplus **\$ 1.500**

To the CFC \$1.500

CFC Cost Analysis

Cash Contribution	\$3.000
Airline Tickets	\$2.600
Entry Fees	\$ 400
Less Surplus	(\$1.500)
Total CFC	\$4.500

Submitted on behalf of the BCCF
Peter Stockhausen**Accepted on behalf of the CFC**
Dale Kirton, President**Thursday, September 6th 2001**

Comments

**Deadline for next Governor's letter is November 5, 2001
Chess Federation of Canada - Governor's Letter #1 - 2001/02**