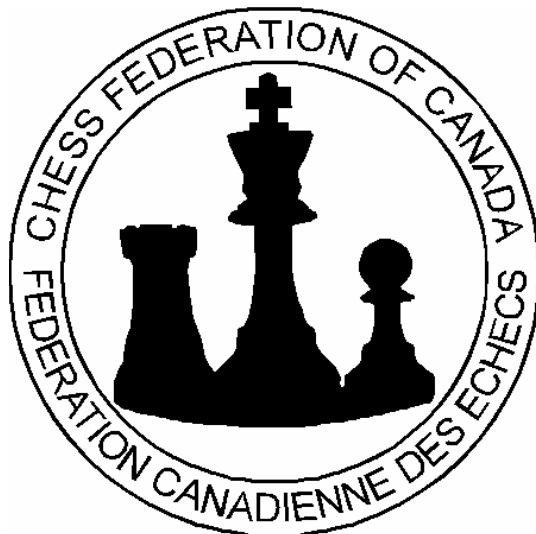


CHESS FEDERATION OF CANADA

GOVERNORS' LETTER SIX

2004-2005



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 submissions to GL #7: Friday, May 6th, 2005

President's Message

It is with regret that I announce the resignation of our Treasurer, Eric Van Dusen. His work commitments prevent him from carrying out his duties as Treasurer. I know you will all join me in wishing Eric well in his future chess ventures.

I thought it would be useful to give a short overview on the finances of the CFC. In Table 1 are the actual revenue items for the CFC 2000-2004 as reported to the AGM each year and published in the GL. The 2005E column is my forecast based on actual figures to the end of March 2005 and the budget for April 2005.

The usual disclaimer on forward looking statements applies – they are just my views. The year end adjustments made by our auditors and actual results for April 2005 will change the 2005E figures from what is reported here and the bottom line for the CFC.

Table 1
REVENUES

	2000	2001	2002	2003	2004	2005E
Sales - Cost of Goods	63,981	71,232	60,946	75,830	61,891	47,000
Shipping and handling	7,838	9,235	9,356	12,775	11,440	8,500
Membership fees	74,673	68,681	67,702	69,921	71,360	71,500
Chess Foundation	4,120	4,522	6,622	3,619	5,394	4,000
Rating Fees	20,105	18,567	21,368	19,506	28,333	25,000
Publications & ads	7,279	7,428	5,121	5,816	4,820	3,000
Donations	14,537	13,727	14,918	16,310	48,178	83,600
Other Programs (note 3)	46,587	29,302	46,815	81,367	36,255	91,000
Other revenue	5,518	2,613	2,794	1,247	2,995	2,500
Total Revenue	244,638	225,307	235,642	286,391	270,666	336,100

All revenue items in the list are a source of funds to be interpreted in the usual way except: Other Programs (note 3), which is the Olympiad, the CYCC and the Kalev Pugi program. Contributions to these programs are recognized as revenue in the year in which the related expenditures are incurred.

The items (Sales - Cost of Goods + Shipping and handling) in revenues are the contribution margin from the CFC's sale of books and equipment. The contribution margin is the amount of money that can be used by the CFC towards paying for the CFC staff and building costs. The cost of shipping is in cost of good sold but shipping revenues are reported separately.

This year the sales of equipment are down while books and software are at about the

same level.

The CFC's commercial activities are reported in more detail in Table 2:

Table 2	2000	2001	2002	2003	2004	2005E
Sales	186,731	199,350	208,593	222,878	186,769	147,000
Shipping and handling	7,838	9,235	9,356	12,775	11,440	8,500
Cost of goods sold	122,750	128,118	147,647	147,048	124,878	100,000
Contribution Margin	71,819	80,467	70,302	88,605	73,331	55,500

On the revenue side the contribution margin from the CFC store has been the most important source of funds for the CFC followed by CFC membership fees. In 2005 donations are at over \$83,000 and they are for the first time in CFC history the largest source of funds. I would like to thank all of our donors for their support of Canadian Chess. I would also like to take this opportunity to thank the many CFC governors for their fundraising efforts on behalf of the CFC and our programs.

Table 3 lists the expenditures for the CFC for the years 2000 to 2004 as they were reported to the AGM each year and published in the GL. The 2005E column is again my forecast.

On the expenditure side the three most important items are usually salaries and benefits, Chess Canada Echecs (Publications) and the Office. In 2005 expenditures on the Olympiad, the WYCC (Other Programs) and our participation the FIDE world championships for men, women and juniors increased these expenditures (International).

Table 3 EXPENDITURES	2000	2001	2002	2003	2004	2005E
Salaries and benefits	74,700	69,020	81,497	47,676	59,195	59,000
Building and equipment	18,246	15,569	16,936	17,059	17,669	17,900
Office	31,665	31,889	39,355	36,436	36,173	36,000
Other Exec.& admin.	1,723	2,698	5,550	2,998	2,798	3,000
Publications	45,655	52,478	54,034	57,161	49,883	50,000
International	11,961	4,989	10,199	10,597	43,737	65,000
Contributions to Clubs, Provincial Affiliates and the Foundation	13,847	14,060	15,067	20,518	19,218	17,000
Other Programs (note 3)	46,587	29,302	46,815	81,367	36,255	91,000
Total Expenditure	244,384	220,005	269,453	273,812	264,928	338,900
Net Revenue	254	5,302	(33,811)	12,579	5,738	(2,800)

The financial year for the CFC has been difficult. It has been a struggle to find all the resources needed to fund all our activities. I expect the CFC to run a small deficit. Net Revenue will be negative – my forecast is (\$2,800) but this is an approximation.

Over the last two years the CFC has generated cash from operations basically from income from operations and depreciation. The CFC does not need \$60-\$70,000 in the bank to operate. I would like to see the CFC send \$10-\$15,000 to the Chess Foundation to increase the revenues available to provide services to the 351 life members and 52 honorary members of the CFC.

The O-Adult Membership of the CFC is about 1600. The CFC like all other membership based organizations has an in/out ratio or churn rate. The churn rate for the CFC is about 25%-30%. Jonathan Berry estimates that in the 70s and 80s the CFC lost 1/3 of its membership every year no matter what methods were used to encourage lapsing members to renew. In the current context our churn rate translates into over 400 in/outs each year.

The CFC Balance Sheet 04/19/2005

Assets:

Cash On Hand	999.63
Royal Bank Chequing Acct	69,001.48
VISA - Holding Acct	1,303.14
MasterCard - Holding Acct	368 .73
Interac - Holding Acct	140.53
Accounts Receivable	8,311.65
Reserve for Doubtful A/R	—224.65
Inventory — Books	24,055.20
Inventory – Equipment	46,754 .91
Inventory – Software	8,392.86
Allowance for Unsaleable Inventory	—8,853.43
Inventory - Membership Cards	2,139.91
Prepaid Expenses	6,958.54
 Total Current Assets	 159,348.50
 Land	 —20,000.00
Building	—142,851.64
Accum Dep. – Bldg	73,769.89
Furniture & Equipment	—5,000.00
Accum Dep - F & E	4,293.26
Computers & Peripherals	—8,000.00
Accum. Dep -Computers & Peripherals	7,480.44
Accum. Dep - National Library	5,745.99
National Library	—8,540.00
 Total Property & Equipment Total Assets	 93,102.06
Total Assets	252,450.56

Liabilities:	
Affiliate Rebates	23.00
Ontario Chess Assoc.	1,363.50
Alberta Chess Assoc.	320.00
British Columbia Chess Assoc.	286.00
New Brunswick Chess Assdc.	112.00
Saskatchewan Chess Assoc.	42.00
Newfoundland Chess Assoc.	20.00
Manitoba Chess Assoc.	85.00
Nova Scotia Chess Assoc.	124.00
Donations Holding	3,460.71
Olympic Donations	19,495.88
Olympic Fund Disbursements	—18,231.75
2005 CYCC Holding	21,845.72
Kalev Pugi Fund	1,187.69
Advance on Purchases	—458.06
FIDE Fees Holding	—1,103.49
2004 Canadian Open	—697.00
2004 Canadian Junior Entries	660.00
Women's Closed Entries	532.00
Canadian Closed 2004 Entries	7,700.00
2005 Canadian Open	2,840.00
2005 Canadian Junior Entries	1,350.00
Unearned Revenue	38,447.92
Vouchers Payable	1,233.87
ICC Vouchers	345.53
Accounts Payable	2,761.13
CPP Payable	324.68
EI Payable	175.26
Income Tax Deductions Payable	481.90
PST Payable	1,399.87
GST Payable	2,348.61
GST Recoverable	—2,071.51
Vacation Payable	—505.06
Total Current Liabilities	85,899.40
Total Capital	166,551.16
Total Liabilities and Capital	252,450.56

KEEPING GOVERNORS INFORMED

April 12, 2005. It is with regret that I have to announce that Hans Jung is stepping down as editor of Chess Canada Échecs after the June 2005 issue of the magazine. In his e-mail to the CFC Executive Hans Jung said: "After much deliberation, I have decided to step down from my position as editor of Chess Canada Échecs. I no longer have the energy to devote to all the many

challenges of the magazine”.

Hans Jung became the editor of Chess Canada Échecs in September 2003. Hans Jung made many important changes to the form and substance of the magazine which were well received by the CFC membership. I would like to thank Hans Jung for his efforts on behalf of the CFC and wish him success in his future projects.

Halldor P. Palsson
President
Chess Federation of Canada

April 18, 2005. The Chess Federation of Canada is looking for a coach for the national team going to the WYCC, July 18-29, 2005 in Belfort, France. Interested applicants should forward their questions to Patrick McDonald or the CFC Office.

From the Secretary:

New Governors: Josh Henson and Alex Nikouline are the two new Manitoba governors, replacing the two previous governors.

Best regards,
Lyle Craver

Results of Votes:

Motion 2005-14: Moved by David Cohen, Seconded Kevin Pacey That CFC Handbook 375 Tournament Playing Fee be amended by adding the sentence: "At any national Championship, this fee is not permitted as a substitute for CFC membership."

Votes Yes: (30) Barron, Bluvstein, Bond, Churchill, Cohen, Craft, Craver, De Kerpel, Dénomée, Dixon, Dutton, Feng, Ficzere, Frahey, Harper, Hebert, Jaeger, Killi, McDonald, McGowan, Nikouline, Niksic, Pacey, Posylek, Smith, Stockhausen, Sutherland, Thorvardson, Urquhart, Henson

Votes No: (2) Ferner, Greco

Abstentions: (1) Friesen

Motion Passed

Motion 2005-15: Moved by Michael Barron, Seconded by Frank Dixon/Bela Kosolian that the CFC Handbook should include the following regulation:

“The procedure of motion submission to CFC:

1. Every CFC Governor can submit a motion in his response to Governors’ Letter.
2. If one of the CFC Directors preparing current Governors’ Letter has found this motion important for CFC, he can second this motion and call for vote in the current Governors’ Letter.
3. Otherwise, this motion called for discussion in the current Governors’ Letter.
4. If one of CFC Governors (besides the motion originator) has found this motion important for CFC, he can second this motion and call for vote in the next Governors’ Letter.”

Votes Yes: (5) Barron, Churchill, Feng, McGowan, Sutherland

Votes No: (26) Bluvstein, Bond, Cohen, Craft, Craver, De Kerpel, Dénomée, Dixon, Dutton, Ferner,

Ficzere, Frahey, Greco, Harper, Hebert, Jaeger, McDonald, Nikouline, Niksic, Pacey, Posylek, Smith, Stockhausen, Thorvardson, Urquhart, Henson
Abstentions: (2) Friesen, Killi

Motion Defeated

Michael Barron: This Motion was submitted for 03-04 GL#4 15 months (!) ago, and now it really needs re-phrasing. But I still believe that we need to define clearly the mechanism of how motions are made, discussed and voted upon. The current revision of the CFC Handbook doesn't contain anything in this regard. It produces too many confusions and questions. That is the purpose of discussion? How could we amend the initial text of a Motion? What does it mean "straw vote"? How could we use it?

I think the purpose of discussion should be to amend initial motion. For example, everybody who voted "Yes" for **Motion 2005-12**, suggested to extend the deadline of December 31/04, but nevertheless it was published in the 04-05 GL#5 in March 2005 with the same deadline! Isn't it silly?

I suggest the straw vote:

"During discussion every Governor could suggest amendment to the discussed Motion. In such case for final vote could be presented several revisions of the same Motion."

Motion 2005-16: Moved by Frank Dixon, and seconded by Patrick McDonald:
Pending the approval of the new organization by CFC Governors, to be voted upon this time, the Coordinator of the Canadian Post-Secondary Chess Association (currently myself) will report to the CFC Youth Coordinator.

Votes Yes (30): Barron, Bluvstein, Bond, Churchill, Cohen, Craft, Craver, De Kerpel, Dénomée, Dixon, Dutton, Feng, Ferner, Frahey, Friesen, Harper, Hebert, Jaeger, Killi, McDonald, McGowan, Niksic, Pacey, Posylek, Smith, Stockhausen, Sutherland, Thorvardson, Urquhart, Henson

Votes No: (1) Greco

Abstentions: (2) Ficzere, Nikouline

Motion Passed

Motion 2005-17: Moved by Pierre Denommee and seconded by Michael Barron:

Votes Yes: (13)

Barron, Bond, Churchill, Cohen, Dénomée, Dutton, Feng, Hebert, McDonald, McGowan, Nikouline, Thorvardson, Urquhart

Vote No: (9) Bunning, Craft, Craver, Frahey, Greco, Harper, Jaeger, Stockhausen, Henson

Abstentions: (11) Bluvstein, De Kerpel, Ferner, Ficzere, Friesen, Killi, Niksic, Pacey, Posylek, Smith, Sutherland

Motion fails to pass as it does not receive 2/3 of vote, according to President's ruling in GL5

Maurice Smith: A lot of thought went into this motion, but is it really necessary?

Motion 2005-18: Moved by Michael Barron, seconded by Michael Dougherty:

Votes Yes: (18) Barron, Cohen, Craver, Dénomée, Feng, Frahey, Hebert, Killi, McGowan, Nikouline, Niksic, Pacey, Posylek, Smith, Stockhausen, Sutherland, Thorvardson, Henson

Votes No: (8) Bond, Craft, Dutton, Greco, Harper, Jaeger, McDonald, Urquhart

Abstentions: (6) Bluvshstein, Churchill, De Kerpel, Ferner, Ficzere ,Friesen

Motion Passed

(Full text of the motion in Appendix 1)

Michael Barron: I didn't find the FIDE bill for 2004 attached to the GL#5. But thanks to FIDE Office I have found it on the FIDE website (<http://www.fide.com/ratings/fees.phtml?country=CAN&codt=14>):

Registration fees for the second semester of 2004

October 2004

Code	Event Name	Fed	City	Datercvd	Fee	Fine	Late (>60 days)
7	2004 Ontario Open	CAN	Brantford	2004-06-04	74	0	
789	Edmonton June Sectional A	CAN	Edmonton	2004-08-31	50	100	26
790	Edmonton June Sectional B	CAN	Edmonton	2004-08-31	50	100	26
773	Guelph Pro-Am In.Futurity	CAN	Guelph	2004-08-31	38	0	
772	Guelph Pro-Am Intl.	CAN	Guelph	2004-08-31	60	0	
559	Quebec Open (Champ.Sect.)	CAN	Montreal	2004-08-16	120	0	
558	Quebec Closed 2004	CAN	Montreal	2004-08-16	50	0	
774	Montreal Intl.Section A	CAN	Montreal	2004-08-31	480	0	
557	Bolduc III Section B	CAN	Montreal	2004-08-16	50	0	
775	Montreal Intl.Section B	CAN	Montreal	2004-08-31	200	0	
556	Bolduc III Section A	CAN	Montreal	2004-08-16	50	0	
560	Canadian Open 2004	CAN	Ontario	2004-08-16	94	0	
770	Western Canadian Open	CAN	Richmond	2004-08-31	86	0	
771	77 CAN Closed and Zonal	CAN	Toronto	2004-08-31	130	0	
561	BGC Tournament 40	CAN	Toronto	2004-08-16	50	0	
14	League Expert Masters	CAN	Vancouver	2004-06-07	50	0	

January 2005

Code	Event Name	Fed	City	Datercvd	Fee	Fine	Late (>60 days)
289	May Open	CAN	Brampton	2004-11-06	26	100	121
341	Alberta Open 2004	CAN	Edmonton	2004-11-12	18	0	
264	Edmonton October Invitat.	CAN	Edmonton	2004-10-29	50	0	
340	Edmonton Sept.Sectional B	CAN	Edmonton	2004-11-12	50	0	
339	Edmonton Sept.Sectional A	CAN	Edmonton	2004-11-12	50	0	
622	Ottawa Championship 2004	CAN	Ottawa	2004-11-30	50	0	
206	BGC Tournament 45	CAN	Toronto	2004-10-15	50	0	
744	BGC Tournament 56	CAN	Toronto	2004-11-30	50	0	
207	BGC Tournament 50	CAN	Toronto	2004-10-15	50	0	
208	Macedonian Labour Day Op.	CAN	Toronto	2004-10-15	44	0	
290	BGC Tmnt 34	CAN	Toronto	2004-11-06	50	100	120
158	BGC Summer Masters	CAN	Toronto	2004-10-15	50	100	15
743	BGC Tournament 53	CAN	Toronto	2004-11-30	50	0	

All fees and fines in the table in Swiss Francs (on March 15, 2005: 1 SFr = \$1.05 approximately).

As expected, there is no any "additional a \$100 flat fee per tournament" – it was invention of unknown bureaucrat who wanted to prevent our local tournaments from being FIDE-rated.

But there is 100 SFr fine, if a tournament was submitted to FIDE more than 60 days after its finish. And the CFC paid such fine 5 times during second half of the year 2004!

Now I understand where "a small deficit for the 2004-05 year" came from!

Halldor P. Palsson: FIDE bill was supposed to go to Governors with the last GL. It is reproduced below. The CFC marks up the fees for tournaments and pays for titles for Canadians. The CFC can change the fees it charges for tournaments or start charging for title applications. In the end it is up to Governors to come up with an acceptable policy in this area. Mr. Stockhausen is the author of the current fee structure and I think it is an acceptable way to go about charging for FIDE costs.

Prepared by V Jarrett

Federation Statement

FEDERATION ACCOUNT
01/01/2004 and Later

Date	Payee	Memo	Amount	Running Total
Canada				
01/01/2004	opening balance 2004		-7,215.00	-7,215.00
01/05/2004	Membership Fee 2004		-1,360.00	-8,575.00
01/20/2004	FM title application	Igor Divjan	-100.00	-8,675.00
01/20/2004	FM title application	Leforg Hua	-100.00	-8,775.00
01/20/2004	FM title application	Zhe Qhuan	-100.00	-8,875.00
01/20/2004	FM title application	Thomas Roussel-Roomzman	-100.00	-8,975.00
01/21/2004	FM title application	Tomas Krmn	-100.00	-9,075.00
01/21/2004	WFM Title Application	Yamei Wang	-100.00	-9,175.00
01/21/2004	WFM Title Application	Dina Kagramanov	-100.00	-9,275.00
02/10/2004	cash received		8,144.00	-1,131.00
02/21/2004	FM title application	Fanhao Meng	-100.00	-1,231.00
03/21/2004	IM Title Application	Thomas Roussel-Roozman	-250.00	-1,481.00
04/15/2004	discount allowed		431.00	-1,050.00
04/22/2004	IA Title Application	David Cohen	-150.00	-1,200.00
04/22/2004	IA Title Application	Marks Dutton	-150.00	-1,350.00
05/28/2004	WIM Title Application	Dinara Khaziyeva	-250.00	-1,600.00
06/04/2004	cheque received	USD 183.64(CAD287.10)	235.06	-1,364.94
06/30/2004	Tourm Registration Fees		-546.00	-1,910.94
08/26/2004	IA Title Application	Patrick Mc Donald	-150.00	-2,060.94
08/31/2004	Adjustment to Tournament fees		-30.00	-2,090.94
09/15/2004	cheque received	USD 1910.94 @ rate 1.27	2,426.89	335.95
09/21/2004	FM title application	Christian Stevens	-100.00	235.95
09/21/2004	FM title application	Gregory Huber	-100.00	135.95
09/21/2004	GM Title Application	Mark Bluvshtein (50% surcharge)	-750.00	-614.05
09/21/2004	IM Title Application	Eric Lawson (50% surcharge)	-375.00	-989.05
09/28/2004	discount allowed		107.00	-882.05
11/02/2004	cash received		4,800.00	3,717.95
11/03/2004	EF Olympiad Men, Calvia		-400.00	3,317.95
11/03/2004	EF Olympiad Women, Calvia		-400.00	2,917.95
11/18/2004	EF World Youth 2004 - invited	10 players	-1,000.00	1,917.95
11/18/2004	EF World Youth 2004 - additional	18 players	-3,600.00	-1,682.05
12/01/2004	EF World Junior India 04	Zhe Quan	-100.00	-1,782.05
12/23/2004	Tourm Registration Fees Jul-Dec		-2,220.00	-4,002.05
12/23/2004	Rating fees(first 100 free)2004	147 @ CHF 5 (50% rebate)	-367.50	-4,369.55
Total Canada			-4,369.55	

Patrick McDonald: I Feel that since any FIDE tournaments that we run have to run under the FIDE rules, we will then have to follow the FIDE handbook and then do not need it all rehashed in our handbook. And if we state this in the CFC handbook, then if FIDE changes their rules, we would then have to go through a full vote process to change ours again to agree.

Peter Stockhausen: FIDE changed it's system of charging but we only reacted to this more than a year

later. During that year, we paid about \$2,000 more than we collected in FIDE Rating Fees. I wonder which and how many tournaments FIDE will rate for us without charging. The Victoria one, March (11-13) and the next one in Edmonton (April 1-3) should be prime candidates.

Motion 2005-19: Moved by Bruce Harper, Seconded Peter Stockhausen
That rule 1014 be amended to read as follows:

1014. Organization:

Bids for the CYCC shall be submitted to the CFC in the same manner as bids for other national events.

(a) Bids to hold the CYCC shall be reviewed by the Junior Coordinator for conformity with the general CFC standard for bids and to ensure that the particular requirements of the CYCC are met. Bids that meet CFC standards shall be put before the Governors for selection of a winning bid for the year in question.

(b) All bids for the CYCC must set out the anticipated expenses related to the event, including site rental, trophies and medals, prizes, publicity and advertising, tournament director and organizer fees, equipment costs and other expenses.

(c) The entry fee to the CYCC shall be \$150 per player, paid directly to the CFC. For each entry fee:

(i) \$100 per player shall be retained by the CFC to cover the costs of trips to the WYCC for the year in question.

(ii) Up to \$50 per player shall be used to reimburse the organizers of the CYCC for expenses incurred in relation to the event.

(iii) Any surplus funds remaining after the expenses of the event are paid shall be used by the CFC for future Junior activities or transferred to the Junior (Kalev Pugi) Fund.

(d) If circumstances, including the scheduling of the WYCC, permit, it is desirable that the CYCC be held shortly before, and at the same location as, the Canadian Open for that year.

Tony Ficzere: Just a little problem with the wording as it isn't clear to me. Basically, it says that the entry to the CYCC is \$150. The CFC gets \$100 towards expenses to WYCC, and the wording under b ii) says "Up to \$50 per player to the organizer". Does this mean that the CFC can decide to pay less than \$50 per player to the organizer? I have no problem giving the organizer \$50 from the entry, but not less.

Votes Yes (24): Barron, Bluvstein, Churchill, Cohen, Craft, Craver, De Kerpel, Dénomée, Feng, Ferner, Frarey, Harper, Hebert, Jaeger, Killi, McGowan, Nikouline, Niksic, Pacey, Posylek, Smith, Stockhausen, Sutherland, Thorvardson,

Votes No (4): Dutton, Greco, McDonald, Urquhart

Abstentions: (3) Bond, Friesen, Ficzere

Motion Passed

Motion 2005-20, moved by Bruce Harper, seconded by Jason Feng:

That 1. Article 5 of the CFC Olympiad Regulations ("The Selection Committee") be amended by replacing

"To avoid any conflict of interest, neither member of this committee can become part of the Canadian National Team for the Olympiad in question"

with

"Neither member of the Selection Committee may play for the Canadian National Team in the Olympiad in question".

Votes Yes: (28) Barron, Bluvstein, Bond, Churchill, Cohen, Craft, Craver, De Kerpel, Dénomée, Dutton, Feng, Ferner, Frahey, Greco, Harper, Hebert, Killi, McDonald, Nikouline, Niksic, Pacey, Posylek, Stockhausen, Sutherland, Thorvardson, Ficzere, Urquhart, Henson

Votes No: (2) Jaeger, Smith

Abstentions: (2) Friesen, McGowan

Motion Passed

Frank Dixon: On the Olympic team regulations, I support Governor Harper's motion as a solution for the problem which came up in 2004. However, I think it is worth noting that for Calvia we had IM Brian Hartman as Captain, which worked out very well according to all accounts, and that as a strong player, he could have potentially played if necessary (had one of the five National team members, down one from the allowed six, fallen ill during the tournament, for example). There were some last-minute scrambles putting the 2004 team together, and given that this seems to happen more often than not, it may be worthwhile inserting a provision into our regulations to allow for this emergency possibility of play by the Captain in the future, as a fail-safe mechanism.

Maurice Smith: If a member of the Selection Committee is also the Team Captain it allows for a conflict of interest situation. The person may wish to make favourable actions to the players he has selected. Conversely he could make it clear that he does not wish to do this by favouring the other members. That is why the current wording was made in the first place. Let there be no situations where a conflict of interest could occur.

Discussion of Motions:

MOTIONS FOR FINAL VOTE:

Motion 2005-23 (Moved and seconded by Patrick McDonald and Chris Mallon)

That the CFC Youth Coordinator be given the mandate by the Assembly of Governors to strike a committee to pursue an agreement with the Chess 'n Math Association that will see better and more cooperation between the two organizations (CFC and CMA) subject to the following guidelines.:

- a) CMA is responsible for junior chess in Canada under the umbrella of the CFC. The position of CFC Youth Coordinator continues to exist and is the link between the two organizations.
- b) CMA is responsible for book & equipment sales with an amount being turned over to the CFC every 3 months based on the net profits earned by the CFC in the last 3 years in this area. CFC would no longer operate a Book & Equipment business.
- c) The CFC is responsible for the rating of all players. CMA would no longer operate a separate rating system. All the CMA official events would be rated with the CFC.

Michael Barron: I support this motion.

But I would like to pay attention to unpleasant incident that recently took place on one of junior events in Toronto Area: the CMA Ontario Coordinator Leslie Armstrong prohibited staff of the Chess Academy of Canada to enter the site of the event and distribute their materials to young players and their parents.

It looks like some CMA employees understand "CMA is responsible for junior chess in Canada under the

umbrella of the CFC" as "CMA has exclusive rights for all junior chess activities in Canada" and want to prevent all other organizations from developing junior chess!

I found such attitude completely inappropriate – if you want to be the best, you need to do more and better, but not make others doing less and worse.

Pierre Dénomée: For CMA, I remember a list of unanswered question such as

1. Who controls CMA?
2. What is there constitution?
3. What are there bylaws?
4. What are the goals of the corporation?
5. Who can access their governor's letters?
6. What is its financial situation, are they audited?

We should try to secure from CMA funding for sending our youth to all the FIDE competitions to which they are qualified.

Alex Nikouline: I am with Bruce Harper on this. Even if this motion is not needed technically, it is needed politically. I fully support the negotiations.

Peter Stockhausen: Principally I am in favour, but I would like to see some timelines by which updates to the Governors are provided and a time line by which we either have a deal to vote on or drop the subject.

Barry Thorvardson: The OCA strongly supports the motion 23 for serious negotiations with the CMA to standardize ratings to 1 CFC rating structure, and to rework material sales via CMA with benefit to CFC

Bruce Harper: I support this initiative.

MOTIONS FOR SECOND DISCUSSION:

Motion 2005-25: Moved by Michael Barron/Kevin Pacey:

"Any chess club may retain 50% from the CFC portion (now it's \$18 for Adult, \$12 for Junior, \$6 for Junior Participating and \$9 for Family Membership) of any new CFC memberships (for persons who have not been CFC members for at least 5 years) that they sell to club members.

The CFC shall still pay provincial affiliates their full portion of the CFC membership fees that are received."

Michael Barron: The basis of chess life is a local chess club. The main problem of the CFC now is declining membership. This motion aims for two targets – to strengthen local chess clubs and to gain additional CFC members.

Halldor Palsson: Given the comments on this motion from Governors I realize that I should have seen that this is an open ended budget motion since no cost estimate is presented for this measure. I think this measure should be referred to a committee to report back to the assembly and I invite a motion to that effect.

Tony Ficzere: Can the CFC afford this? I admire the intent, but just how much does it cost the CFC for a membership. I think 50% may be a little steep. We have the Affiliate program at present. Can't we just

revamp this program some how to add other types of incentives. Sorry, don't have any ideas at the moment.

Bruce Harper: I oppose this motion. It is too open to abuse. It would likely succeed in its presumed goal of encouraging the formation of chess clubs – a “British Columbia chess club” with no membership fee would be formed immediately. If the CFC wants to give a portion of new membership fees to organizers, then do so. I’m not convinced this is a good idea in principle, but there are more direct and better ways to do it.

Peter Stockhausen: Principally I am in favour. However, I would like to see a financial impact analysis provided by the ED and or Treasurer. If the CFC does not stand to lose money on this, I would move to amend the motion to change eligibility to two (2) years, rather than five (5). Below is an attempt of mine to define the issue based on 500 renewals. It is imperative that paper and printing cost be verified and provincial rebates, if any, be taken into consideration.

CFC Magazine Rebate Proforma

Membership	Current	Pro Forma	Variance	% Variance	Notes:
Honorary	51	51	-	-	Assume to sell 500 new Regular Adult
Life	349	349	-	-	Assume Revenue for Lifers goes to General Operations.
Family	20	20	-	-	
Junior (Full)	242	242	-	-	
Adult	1,606	2,106	500	31.1%	
Total Magazines	2,268	2,768	500	22.0%	
Annual Revenue					
Honorary	\$ -	\$ -	\$ -	-	
Life	\$ -	\$ -	\$ -	-	
Family (\$18)	\$ 360	\$ 360	\$ -	-	
Junior (\$24)	\$ 5,808	\$ 5,808	\$ -	-	
Adult (\$36)	\$ 57,816	\$ 75,816	\$ 18,000	31.1%	
Total Revenue	\$ 63,984	\$ 81,984	\$ 18,000	28.1%	
Revenue per Magazine	\$ 28.21	\$ 29.62	\$ 36.00		
Expenses					
Editor	\$ 12,000	\$ 12,000	\$ -	-	Assume no extra Editor cost because of increased circulation.
Contributors	\$ 4,000	\$ 4,000	\$ -	-	Assume no extra contributor costs because of increased circulation.
Paper	\$ 9,000	\$ 9,990	\$ 990	11.0%	Assume a 50% increase of extra magazines for Paper and Printing.
Printing	\$ 7,500	\$ 8,325	\$ 825	11.0%	Assume 100% increase of extra magazines for postage.
Postage	\$ 7,500	\$ 9,162	\$ 1,662	22.2%	
Total	\$ 40,000	\$ 43,477	\$ 3,477	8.7%	
Cost per Magazine	\$ 17.64	\$ 15.71	\$ (1.93)	-10.9%	
Profit/(Loss)	\$ 23,984	\$ 38,507	\$ 14,523	60.6%	
50% Rebate	\$ -	\$ (9,000)	\$ (9,000)		
Net	\$ 23,984	\$ 29,507	\$ 5,523	23.0%	A 50% Rebate appears to leave sufficient extra Revenue for the CFC.

Motion 2005-26: Moved by Pierre Dénommée / Michael Barron:

That the CFC Handbook be amended to replace, on July 1st 2005, the actual Laws of Chess by the new Laws of Chess that have been adopted at the FIDE AGM and that will come in force on July 1st 2005.

Michael Barron: As FIDE affiliate, the CFC should follow FIDE's Laws of Chess.

Bruce Harper: Is this just a bookkeeping measure, or are there changes to the Laws of Chess that Canada should oppose? What was Canada's position with respect to the changes to the Laws of Chess made by FIDE? FIDE does not have a good track record and I wouldn't support this motion without seeing the substantive changes laid out. For example, if this constrains Canada to using the fast FIDE time control in serious events, I would oppose the motion.

Motion 2005-27: Moved by Pierre Dénommée / Michael Barron: Long ago, in 1992, the FIDE AGM did approve the Swiss System Based on Rating (FIDE Handbook C.04.1) Furthermore, FIDE has also adopted the DUBOV Swiss Pairing System (FIDE Handbook C.04.3). We shall amend the CFC Handbook to include those two pairing systems.

Michael Barron: As FIDE affiliate, the CFC should follow FIDE's Swiss pairings systems.

Bruce Harper: I couldn't care less. Organizers can presumably use whatever pairing systems they like, as long as they explain it to the players (come to think of it, this qualification is wishful thinking).

Motion 2005-28: Director of Fundraising (Moved by Kevin Pacey, seconded by David Cohen)
At the 2005 annual meeting the Assembly shall appoint a general officer known as the Director of Fundraising, whose duty is to apply for government and foundation grants, and seek corporate sponsorship on behalf of the CFC.

Kevin Pacey: I feel that a position must be created for someone to concentrate their efforts more fully on the matter of fundraising. He may later recruit other people to assist him, or we may even elect or appoint them later.

Halldor Palsson: The CFC is a sports charity and we have increased our fundraising efforts substantially in the last two years. We have a large board of Governors and I expect Governors to try to play a leading role in helping with fundraising for worthy chess causes in their areas. This is not a responsibility that can be put on any one general officer.

Pierre Dénommée: We urgently need a director of fundraising. The CFC must have enough money to support its international programs. As it is now, we could send more players to represent Canada, especially in the Youth Olympiad which we could have won if we have sent our best team because many nations do not send a team to this event. We also require more money in order to organize in Canada Continental and World Championships.

Bruce Harper: I hope the nature (as opposed to the purpose) of this position is expanded upon before this motion is voted upon. Would this person retain a portion of the money raised? Is the person a member of the CFC Executive? To whom would the person report?

Motion 2005-29: Director of Publicity (Moved by Kevin Pacey, seconded by David Cohen)
At the 2005 annual meeting the Assembly shall appoint a general officer known as the Director of Publicity, whose duty is to obtain publicity in the interest of the objectives of the CFC.

Pierre Dénomée: Publicity never hurts but we should target it accurately. I have never seen a market study detailing why our potential client actually fail to purchase a CFC membership. Do we know who is the potential member? Where is he located (school, university, community club...) ? How to attract him? Lack of club is often cited as a good reason to refrain from buying a membership. It is difficult to sell memberships if there is no possibility of rated play and making publicity is not going to change this situation.

Bruce Harper: Same comments as for Motion 2005-28 – are there other examples of a “general officer” in the CFC?

Kevin Pacey : My argument for this is similar to that for creating a Director of Fundraising.

Motion 2005-30: Moved Hal Bond, seconded by Lyle Craver

That Handbook paragraph 7.14 c) (Rating Regulations) be modified by deleting the *peak rating* stipulation be removed from the calculation of bonus points.

Paragraph 7.14 c) would now read:

714c) Except for players with provisional ratings, bonus points are awarded in tournaments with 4 or more rounds actually played according to the following rules.

Definitions:

- i)** RI is 24 points for 4 rounds and 2 points higher for each additional round.
- ii)** $R_t = (R_n - R_o) - RI$
- iii)** deleted.
- iv)** Rp is the performance rating determined by Equation 714a.

The number of bonus points Rb is calculated as follows:

- i)** $R_b = 0$ if R_n is greater than or equal to 1999
- ii)** $R_b =$ the lesser of: $R_t, 1999 - R_n, R_p - R_n$.

Michael Barron: I support this motion. The ratings deflation problem should be addressed. On the ChessTalk was discussed another obvious and simple solution – to stop rate active junior events as regular CFC events – they should be considered as active events.

Pierre Dénomée: There is actually a problem with junior rating. Some are so low (less than 400) that they can give rise to negative performance rating. I would like to thank Peter Arsenault for the information on this issue. The problem is in the rating system itself that assumes that the probability that any two players meet is the same. Previous experience within FIDE has conclusively proved that players in poor countries can achieve a 2600 rating without cheating because they play solely against players from their own country. FIDE did investigate why some 2600 player were not already GM, but they conclude that there has been no wrongdoing. The high ratings can easily be explained by the fact that those players have never played against Kasparov, Topalov, Shirov, Ivanchuk and the other super GM.

So if the youth play almost solely against the youth and the adults almost solely against adults, it is to be expected that the rating of those two groups will become not comparable. Furthermore, if a deflated youth player beat an higher rated adult, he will bring deflation into the adult rating pool. I do not see any easy

answer to this problem, but before merging with the CMA ratings, we should strive to ensure that our own rating system is consistent.

Bruce Harper: It is clear that the CFC rating system is seriously flawed and needs adjustment. I don't think patchwork solutions are the right approach, however. If changes to the rating system are to be made, they should be carefully considered, comprehensive, and all introduced at a specific time (such as January 1, 2006). I think a better alternative to this motion is the formation of a committee of savants to report to the CFC and recommend revisions to the rating system. The committee should look at all aspects of the system, including rating different time controls with different K factors.

Alex Nikouline I am not convinced that there is rating deflation. While the measures proposed do not look too drastic to cause more harm than good, I still would rather prefer to see a proper analysis of the current rating trends first. We have to find how to measure the rating inflation/deflation. One way that comes to my mind is to take active players (say 30+ games per year), choose a certain percentage of them with the most stable rating, and see how the average rating of that pool changed over one year. Of course this analysis requires full access to the CFC rating database.

When we decide how to measure the rating trends we can use the same approach to model the changes to the rating system. That case we will know if our measures are adequate. So my proposal is to create a commission headed by Rating Auditor to analyse the current state of the rating system and recommend the changes.

Peter Stockhausen: Maybe Francisco Cabanas could comment on this motion.

MOTIONS FOR FIRST DISCUSSION:

Motion 2005-31, moved by Bruce Harper, seconded by Joshua Henson:

That CFC By-Law Number Two, Paragraph 3 (although it is not actually numbered), which reads:

[3.] NUMBERS OF GOVERNORS FOR EACH PROVINCE

Each provincial association shall be entitled to elect or appoint a number of Governors as follows:

For the first fifty or part thereof of ordinary per capita fee payments, and number of life memberships combined, one Governor shall be allotted and for each subsequent fifty or part thereof one additional governor shall be allotted.

be amended to read:

For the first hundred or part thereof of ordinary per capita fee payments, and number of life memberships combined, one Governor shall be allotted and for each subsequent hundred or part thereof one additional Governor shall be allotted.

Halldor Palsson: This is a constitutional change which requires a 2/3 vote. The CFC is a sports charity with a large board of Governors. A large board of Governors is strategy used by most charities to enhance their fundraising efforts and/or to recruit volunteers to carry out the mandate. Board membership

in charities is often accompanied by a minimum annual contribution to the cause. The CFC has a large board of Governors. I want a large Board. I will repeat that I expect Governors to promote chess and help with fundraising for the CFC and other worthy chess causes in their areas. You have read on the pages of the GL that certain Governors object to being asked to fundraise for the CFC. Do Governors know of any other charity in Canada where such views are expressed and tolerated by board members?

Motion 2005-32, moved by Bruce Harper, seconded by Pascal Charbonneau:

That the CFC Olympiad Regulations be repealed and replaced by the following (see other document for text of the proposed Regulations). (see Appendix 2)

Halldor Palsson: I am referring this motion to the Incoming Assembly of Governors. This session has discussed and amended the Olympiad rules. For the Incoming Assembly I also have to give the movers of this motion direction to produce a rationale for the proposed amendments, including a statement of how the cost to the CFC of the proposed new regulations will differ from the old.

Motion 2005-33 Moved by Christopher Mallon Seconded by Peter Stockhausen

- a) The CFC will broadcast its AGM this year from Edmonton.
- b) There will be a public audio/video broadcast of the proceedings on the website
- c) Governors not present at the AGM may be "present" remotely and cast their votes online using a secure voting method to be determined.
- d) Direct interaction (questions or comments) by remote governors may be allowed at the discretion of the Chair of the meeting, based on time constraints only.
- e) Sponsorship will be sought from a local internet provider to help defray the costs of the web broadcast.

Christopher Mallon: Background: A webcast of the AGM will allow many more people to participate in the governing of the CFC and should reduce the reliance on proxy votes. Point d) needs a brief explanation: in the long term we **WOULD** like to have full remote interaction however given that this is our first year and given that the meetings seem to be very long already, this point allows the chair to stop them if time is running short.

Given the time constraints I would like this motion to go immediately to final discussion with a vote in the following GL.

Halldor Palsson: The proposed motion by Mr. Mallon seconded by Mr. Stockhausen is ruled out of order. My reasons are that the CFC is already authorized under the *Canada Business Corporations Act to conduct electronic meetings*. The Act that we incorporated under contemplates that the CFC or any other federally incorporated entity has to in its bylaws to opt out of meetings ... "by means of the telephonic, electronic or other communication facility that the corporation has made available for that purpose". The relevant section is s. 141.

141. (1) Unless the by-laws otherwise provide, voting at a meeting of shareholders shall be by show of hands except where a ballot is demanded by a shareholder or proxyholder entitled to vote at the meeting.
- (2) A shareholder or proxyholder may demand a ballot either before or after any vote by show of hands.
- (3) Despite subsection (1), unless the by-laws otherwise provide, any vote referred to in subsection (1) may be held, in accordance with the regulations, if any, entirely by means of a telephonic, electronic or other communication facility, if the corporation makes available such a communication facility.
- (4) Unless the by-laws otherwise provide, any person participating in a meeting of shareholders under subsection 132(4) or (5) and entitled to vote at that meeting

may vote, in accordance with the regulations, if any, by means of the telephonic, electronic or other communication facility that the corporation has made available for that purpose.

The Mallon/Stockhausen motion part (a) "The CFC will broadcast its AGM .." is an open ended budget motion since no cost estimate is presented. Open ended budget motions are out of order. The same remarks apply to (b).

Part (c & d) modify Robert's Rules of Order with respect to the recognition of a member Governor. I have to rule it out of order because every Governor has the right to speak and vote. On (d) specifically, the CFC has to follow the general rule that the Chair must recognize any member Governor who seeks the floor while entitled to it.

Part (e) is in order but moot since no specific motion is needed to ask for sponsorship for the CFC and its programs.

Motion 2005-34 Moved by Christopher Mallon Seconded by Kevin Pacey

Motion: a) That the CFC declare and promote the week of October 3rd-9th, 2005 as National Chess Week.
b) That the CFC executive will appoint a coordinator to oversee National Chess Week
c) That the coordinator will be provided complimentary advertising on the CFC web site and in CCE to promote NCW events.
d) That NCW will include country-wide simuls held at malls or schools all on the same date, with a goal of having 10,000 chess games being played at the same time.
e) That all Canadian Chess Clubs will be encouraged to run free to the public events during the week to promote chess
f) That the CFC will produce a small information booklet about chess in Canada which can be distributed at all of the events

Christopher Mallon: Background: This combines several ideas that have been kicking around into one week where we can try to really get to promoting chess across the country. The dates chosen are not too late to be into bad weather, but not so early that people will be too distracted by the start of a new school year.

Halldor Palsson: I have to rule parts (c) and (f) out of order because they are open ended budget motions since no cost estimate to the CFC is presented. Open ended budget motions are out of order.

Motion 2005-35 moved by Bruce Harper, seconded by David Cohen:

That the deadline for the committee established by Motion 2005-12 to consider the format and timing of the Canadian Championship and the Canadian Women's Championship be extended, with the committee to report to CFC prior to the 2005 Annual General Meeting.

Halldor Palsson: I rule that this motion be voted on in this GL.

Motion 2005-36, moved by Bruce Harper, seconded by Peter Stockhausen:

That a committee of five qualified individuals, to be selected by the CFC Executive, be formed to review the CFC Rating System and make recommendations for changes and improvements. This committee would report to the CFC prior to the 2005 Annual General Meeting.

Motion 2005-37: Online magazine committee (Moved by Pacey, seconded by Ficzere)

The CFC Executive shall be given a mandate to strike a committee to determine the viability of putting the contents of the CCE magazine on the CFC website, possibly in conjunction with a reduction of CFC membership fees.

Halldor Palsson: I invite the movers to re-write and re-submit this motion. The CFC Executive can study this issue without this motion and can ignore it with the mandate given by the motion. I would like the movers to submit a rationale with their motion. The CFC has a membership model based on a printed magazine and this mirrors what is offered by several other chess federations. It would be very useful if Governors could inform us on their knowledge on the progress in this area by other chess federations or if a committee reported to the AGM on this issue.

General comments from Governors:

Michael Barron: The President's message is again very disappointing. Unfortunately, instead of expected and long overdue detailed financial report (do you remember passed **Motion 2004-07?** – please see 04-05 GL#1, p. 15) our President continues to throw some random numbers. At least he doesn't demand donations to cover his shortfalls anymore! But I still don't understand – if he expects a small deficit for the 2004-05 year, how could he get extra \$15K in cash that he wants to send to the Chess Foundation of Canada?

I found it completely unacceptable to see a detailed report on the 2004 CYCC-WYCC only after the next CYCC. If the President and the Treasurer for some reasons cannot perform their duties in the real time, maybe we better will seek another volunteers for those positions? Otherwise the CFC could be in a big trouble.

Thanks to the Secretary for well done Governors' Letter! I concur the Governor Dixon's opinion: this year the GLs are a dramatic improvement over last year, and they help us to start govern the CFC.

Thanks to the Women's Coordinator for very interesting and concerned message! I agree with everything that she said, and I believe that we should change the current Olympiad Regulation to ensure that Women's Team is as important as Men's Team.

Many thanks as well to Nava Starr for her Olympic report! It's the only chess content in whole GL, and I would like to see more chess games than fruitless debates.

Thanks to the Youth Coordinator for his continuous efforts in junior chess development! This area is really improving very quickly thanks to his tireless personality. Keep the good work!

David Cohen: Maurice, I understand that Canadian chess history is not of interest to most CFC members. I also understand that the CFC Business Office has no time to provide this service to those members who are interested in it. However, we need to record and display our history for a different reason: to provide the background material and facts to support our publicity and fundraising efforts.

I laid out the case for this in my article in SCTCN&V and CCE. Here's an example: suppose we approach a company to sponsor the Canadian Open Championship. Among other things, they're going to want to know: what is our experience? How many years have we been doing this? So, we need to have the history of the event handy - we've been around since 1872, we've run this event over 40 times, etc.

The motions which I am introducing with Kevin Pacey, to establish directors of publicity and fundraising,

are a recognition that the Business Office has no time for these important organizational functions. These will be volunteer positions, the same as for the Ratings Auditor or Women's Coordinator. I ask for your support for these motions.

Pierre Dénomée: I would like more information on the fines that FIDE has imposed to the CFC (<http://www.fide.com/ratings/fees.phtml?country=CAN&codt=14>) Is it our fault or is it the arbiter's sloppiness? If it is not our fault, can we pass this fine to the guilty party? What can we do to avoid those fines once and for all. 500 Swiss francs of fines is a lot of money wasted, we could have many tournaments FIDE rated for this sum.

Frank Dixon: Post-Secondary:

I will be meeting with the CPSCA Chair, Alex Lambruschini, next month, so will have more on this area next time. Look for a report in CCE in the near future on the 2005 Toronto championship event.

FIDE matters:

I would like to see a complete report from our FIDE Representative Dr. Divinsky on the Calvia FIDE Congress, which concluded in late October, 2004, some five months ago. In the past, our Representatives Phil Haley and Maurice Smith provided Governors and CFC members with detailed news, and this tradition should be continued. In particular, the matter of the inclusion of national delegations for FIDE events, which caused serious problems for the 2004 FIDE World Knockout Championships in Libya, and which was debated at the Kapuskasing 2004 meetings, needs to be updated, as do certain changes in pairing rules, which, as I understand it, would now expressly forbid the type of pairings used at Kapuskasing 2004, which were designed to increase norm chances.

Also, to tidy up a loose end, it is still not too late to receive a report from IM Pascal Charbonneau on his experiences at the 2004 FIDE Championship in Libya. I believe that it is expected of the Canadian champion to inform CFC Governors.

Incident with IM Michael Schliefer:

Likely, most if not all Governors have by now heard of the deplorable incident at the 2005 RA Winter Open in Ottawa in mid-January involving IM Michael Schliefer's behaviour. I want to put on the record that I am concerned for this player and his future; and I understand that he has apologized to the EOCA and to the CFC, and is apparently taking some steps with his personal life to deal with his situation. But, all arguments aside, his actions have undoubtedly brought chess into disrepute; for this reason, I believe that some sanctions are necessary from the CFC. There was a full-page article in The Toronto Star newspaper of Friday, March 4, 2005, on the matter; it was not exactly complimentary to chess. The matter has also been discussed at length on chess bulletin boards. As Governors, we need to be concerned for our players, but we also need to take a strong stand on behalf of the game of chess. The incident involving IM Schliefer brings back for me some very unpleasant memories of the conduct of IM Bryon Nickoloff at the 1992 Canadian Zonal in Kingston, where I served as Assistant TD and Head Organizer, having spent some three years putting the event together. IM Nickoloff, in his game with IM Deen Hergott, urinated at the board during play, over the floor of the tournament room. IM Hergott immediately offered a draw to escape from the situation. The task of cleaning up the mess was left to IA Alex Knox and I. IM Nickoloff was raging drunk during most of that tournament; he also smoked inside the buildings, in violation of Queen's University policy. In short, his very disrespectful conduct was not only demeaning to other players, organizers, and the University, but actually endangered the event's ability to utilize the site to complete the event, as well as potential future usage of the University for chess events. Then, at the Canadian Championship in Ottawa 1995, IM Nickoloff's drunken state led him into sleep during his game with FM Glenn Johnstone; the repercussions of that situation overwhelmed the chess which was actually played in the tournament, and led to a complete disruption of the Championship. Yet, IM Nickoloff went on to represent Canada at the Olympiad several more times

following both incidents. He was clearly in need of professional help for his situation; yet to my knowledge, no sanctions were ever taken against him, nor was any attempt made to direct him towards counselling or medical treatment, which, had it been taken, might have prolonged his life significantly (IM Nickoloff died last year at age 48). So, I think the CFC needs to learn from the case of IM Nickoloff, when it deals with IM Schliefer. The situation is certainly sensitive and complex. It would be interesting to know how the CFC would have dealt with Bryon Nickoloff had he been a 1500 player instead of a 2500 player, and behaved in the same fashion.

Chess Canada Echecs late publication pattern: It is clear that there is a serious problem with the publication schedule of CCE. For the last three issues, the magazine has arrived significantly after the first of the month. Specifically, I can report the October 2004 issue arrived at my door in Kingston on October 26th; the December 2004 issue arrived in Kingston on December 21st; and the February 2005 issue arrived in Kingston on March 3rd. This means a pattern of 25, 20, and 31 days after the first day of the month, for three consecutive issues. Several CFC members have raised the issue with me, so I am bringing it here.

First, I want to state that the contents of the magazine have been excellent since FM Hans Jung became Editor. Many different and interesting chess topics are being presented, the graphics and photos have been very good, and the technical standard has been solid and improving. I have had the privilege of collaborating with FM Jung, and by all means, would like to see him continue as Editor. In my view, the magazine has greater appeal to the vast majority of CFC members and potential casual readers than before.

But the late arrivals of issues have caused problems, for tournaments which are advertised are often completed by the time the magazine gets out. The 2005 Kingston Open, for example, which I directed and helped organize, was nearly three weeks past, and events in Kitchener and Toronto suffered a similar fate, as did others. This is hurting attendance, and hence prizes and revenues down the line. The Ottawa organizer Neil Frahey put together an imaginative promotion for a large upcoming American event in Minneapolis, advertising in colour in CCE, where he offered free entry to winners of a contest, but late publication of CCE prevented this contest from generating the interest Mr. Frahey had anticipated.

I want to analyze the CCE's late publication problem in some detail, and offer potential solutions.

The primary cause of CCE's late publication seems to be the reporting of several chess events, the finishing dates of which fell very close to the deadlines for the next respective CCE issues. Specifically, the 2004 CYCC and Canadian Open, completed by July 18th, were already past the deadline for the August issue, that of early July, but in past years, the Canadian Open has usually been reported in the August issue, along with some lists such as Governors, Chess Clubs, contacts, and so on, material which was all possible to put together in advance. This time, the Canadian Open and CYCC, which I was reporting, were not presented until the October issue, although I offered FM Hans Jung the chance to have them by late July in time for August. Hans decided for October. Then, the 2004 Canadian Zonal, which finished at the end of August, again, very close to the cutoff date for the October issue, was put into the October issue. Similarly, the 2004 Olympiad, which finished at the end of October, again, very close to the cutoff date for December, was reported in some depth in December. The December issue is a special case, since in past years this issue has contained an updated catalogue of chess merchandise offered by the CFC, and every effort has been made to get it out early (I can recall receiving a December issue as early as November 20th or so), to enable family and friends of chess people to reflect on and purchase chess gifts for them, helping CFC sales. There were no major events finishing near the cutoff deadline for the February issue, but perhaps the problem with lateness here was one of overloading IM Yan Teplitsky, who played on short notice (and very well!) in Calvia for two weeks, led the Canadian delegation to the WYCC in Greece shortly afterwards for two more weeks, then wrote a long and excellent report on

Calvia for the February issue, which did not however appear until early March. Also, the 2004 World Junior ended in early December, and the report on this was in the February issue by FM Zhe Quan (a very good report on a very good result).

So, I would suggest a return to: August reporting of the Canadian Open (short report with news, photos, colour, and some games), more detailed reporting of the Canadian Open for October with more games; October reporting for major events such as Guelph, Quebec Open, Montreal International, and so on, with subsequent follow-ups, with more games, in December.

A realistic approach to deadlines for CCE is needed; perhaps the deadline dates need to be moved up by a week or more, to ensure on-time publication of the magazine. I have some significant journalism and publishing experience myself, and know how the deadline gremlins can strike, so I can relate to what has been happening. But I and everyone else involved with the CFC would like to see a return to on-time publication of CCE in the near future.

Bruce Harper: Concerning the President's message, I have little to say. I agree with those Governors who are pressing for a comprehensive, coherent financial statement which allows the Governors to understand the current financial situation of the CFC. Nothing I have read reassures me.

Concerning the comments of the Women's Coordinator, I don't think the problems mentioned are unique to "women's chess", if there is such a thing. With respect to the Chess Olympiad, I will be making a motion to revamp the CFC Regulations in that area.

I commend the Secretary for a well organized and more easily understood Governors' Letter. I appreciate that it is beyond his power to make it shorter!

With respect to Motion 2005-12, establishing a committee to consider the Canadian Championship, the December 31, 2004, deadline in the motion was reasonable at the time it was made, and serves to illustrate the glacial pace at which motions move through the CFC process. Although we live in the electronic era, it takes months and months to pass normal motions. I will move to amend the deadline to June 30, 2005, but I urge the committee to begin its deliberations immediately.

Nava Starr: It is clear that Canadian Teams at the last Olympiad were unable to perform even near their capacities due to some important factors.

1. The lack of detailed preparation to the Olympiad with some of the top coaches. Many countries conduct chess camps for the members of their teams, with the candidates for the Teams allowed to participate in the group's activities such as lectures, etc. Last year US Women's Team was coached by Garry Kasparov himself! One week of the concentrated lectures and analyses with some top coaches, such as GM's Razuvaev, Dvoretsky, Sveshnikov or others would definitely help both Men's and Women's National Teams. Also the right to participate in these activities could be perceived as one of the important perks, together with the trip to the Olympiad itself. Also in many countries (US to start with) the players making the Teams are awarded sizeable amounts of cash (Honorariums) to go to the Olympiad. That compensates them from taking their time from work or studies, but more importantly, create a real competition among the best players to make the Team. It would be very healthy to have these conditions in Canada as well. It would become not only prestigious to make the Team, but also profitable! That would create achievable goals for many Canadian players, who otherwise often quit the game without having these goals. To reward handsomely the best players would bring many more players to the game and should be viewed as one of the most efficient way to promote chess, in fact much better, in my opinion, then to keep stashing money away in the Chess Foundation, etc.
2. The Teams were not completed properly. Men's Team had only 5 players, and Women's Team had only Dinara Khaziyeva and me who were qualified to play. The next qualified players on the

list were unable to arrange at the last moment their schedules. With an Honorarium system in place the chances for this situation to appear are very slim, indeed. The other two players went to the Olympiad not because of their strength but simply because they were able to go. I don't want to be too critical, but their results speak for themselves. For illustration purposes the statistics are these. The first and second board: 17 out of 24, +10. The third and reserve: 4,5 out of 18, -9.

3. The reasons why such important decisions as Team and Captain Selection were made at the last moment of are unclear to me. It was well known when and where Olympiads were going to be held as well as the funds required sending both teams to Spain. In fact, if all would have been done on time, the transportation could have been cheaper and more convenient.
4. It is acknowledged by everybody that the Captain IM Brian Hartman did a superb job, besides he is capable to raise funds, including on a very short notice. Now it came to my attention that there is a little more then a year left until the next Olympiad in Italy, and since Mr. Hartman is not appointed as a Captain yet in spite of his great track record as well as availability, many of the problems described above will happen again. WHY?
5. I've already suggested a few times importance of fundraising and that something has to be done by CFC in that direction. Nothing is being done so far. Again, when CFC was short of funds to send the Teams to Spain it was Mr. Hartman raising the funds at the last moment. All sponsors thanked by Yan Teplitsky in his Olympiad report published in February 2005 Chess Canada issue are Mr. Hartman's contacts.
6. If nothing of the above is important to the present CFC Executives, I'll suggest that we should think of some new ways to attend to the business of the Olympic Teams. Possibly incorporating them and run as a separate institution with its own management, fund raising, etc.

At this moment, however, not to lose any more time, I'd like to second Nathan's Divinsky's Motion: Brian Hartman be appointed Canada's National Team Captain effective immediately. He is a very busy man and we must assure that he accepts the responsibility while his plans for next year are not finalized yet. Let's stop hurting ourselves unnecessarily.

Peter Stockhausen: This is getting worse! We still do not have anything that inspires confidence. If, as he suggests, we will only lose about \$5,000 after breaking even January to April (which is traditionally very difficult) than the interim Financial Statement is seriously in error. So, which is it? Treating Donations and International Expenses wrongly? Did Pat Hendrick from the accounting firm sign off on this Interim Statement? If not, why not? Does Pat Hendrick still come to the office once a month to make sure the books are in order?

Waiting until July for the statement for last year's CYCC? How about the statement for last year's Closed? Or the Olympiad? Does this group of President, Treasurer and ED have something to hide?

The purchase of a heater, a computer and a printer can be treated as an operating expense and expensed at once through the Income Statement or it can be treated as a capital expense and recognized on the Balance Sheet as a fixed asset. In the latter case, only the annual depreciation is expensed on the Income Statement. In either case, the cash is gone.

There was some question regarding the apparently better cash position, despite financial losses. One has not necessarily anything to do with the other. Despite operating losses, any cash position can be **TEMPORARILY** improved by, for example:

- A, delaying Accounts Payable payments.
- B, improving speed of Accounts Receivable collection.
- C, decreasing inventory level by delaying or even eliminating replacement purchases.
- D, recognizing some income while not recognizing the associated and CERTAIN future expense.
(For example, we may have collected \$7,500 from the Closed for the three airfares, but we will have to

pay this out next year in airfare. We have collected at this moment \$20,000 for the CYCC, but most, if not all of it, will have to be paid out by July this year. We might have collected a few thousand dollars for entries for the Canadian Junior and Canadian Open, but we must remit the money within the next few months.)

Many businesses therefore use beside the Budget, Income Statement and Balance Sheet another tool that is called Cash Flow Projection.

As I wrote in the previous GL, there is no point in paying much attention to random presidential comments and numbers. If we do not get a proper Financial Statement, Balance Sheet and commentary we are simply kept in the dark. Maybe all is well but the fact that the President, Treasurer and ED seem to be ducking this issue for months is most worrisome.

Halldor Palsson: I appreciate your statement of concern. In short, Ms. Hendrick still does our books and she works with the ED on the monthly actual vs. budget that is sent to the Executive in the first week or so of each month. I will not be using your advice on how to improve the cash position of the CFC – it is simply not needed. The CFC pays its bills weekly. Our bank balances and accounts payable reported in this GL reflect that and this has been the case all year.

Neil Sutherland: Just a note to let the other governor's know how I feel regarding these amendments, I personally feel that if we are going to amend any of the Handbook Motions then lets take time to amend the Handbook itself. It seems to me that every motion is in the handbook and needs revisions but we never seem to update the CFC HANDBOOK. I get rather upset to see little things being amended when they are in the handbook and anyone buying the handbook does not get the updates. Lets ask the Govonors if they would like to amend or update the CFC Handbook then get a committee to do that if 50 + 1 per cent pass this update of the Handbook.

I would like my name to stand for CFC GOVONOR for the NWT.

At the present time we have a youth club going on in the William Macdonald School in Yellowknife with about 10 players. We must give the principle and one of the teachers many thanks for their support. Each Semester the top player gets \$25.00 and at the End of the school year they have a tournament and the winner gets \$50.00. This is the second year we have been doing this and they have had quite a few players with in the school and the top player gets his name on the plaque donated by myself. I would like this published in the CFC'S Magazine- En Passent. Let others know of the grades 7-8 chess club and they would like to get a game published as well. There must be other schools participating and enjoying chess and lets get them in the magazine as well and know what they are doing.

Thank you for sending this out to the other Govonors.

Deadline for submissions to GL #7: Friday, May 6th, 2005

Appendix 1 Motions for Discussion

Motion 2005-17: Moved by Pierre Denommee and seconded by Michael Barron:

Motion: That the CFC initiates the process of becoming compliant to all Sports Canada Eligibility criteria, except criteria A1 which is the only one that we cannot currently meet. We should also lobby for the modification of the definition of sport in Canada.

That we immediately add the following to the CFC Handbook:

"Chess Federation of Canada Appeals Policy

SCOPE OF APPEAL

1. Any member of the Chess Federation of Canada who is affected by a decision of the Board of Directors, of any Committee of the Board of Directors, or of any body or individual who has been delegated authority to make decisions on behalf of the Board of Director, shall have the right to appeal that decision, provided there are sufficient grounds for the appeal as set out in Paragraph 5 of this Policy. Such decisions may include, but are not limited to, employment, contract matters, harassment, selection and discipline.

2. This policy shall not apply to matters relating to the rules of Chess, which may not be appealed under this policy.

TIMING OF APPEAL

3. Members who wish to appeal a decision shall have 21 days from the date on which they received notice of the decision, to submit written notice of their intention to appeal, along with detailed reasons for the appeal, to the Chairperson of Appeal Panel.

4. Any party wishing to initiate an appeal beyond the 21 days period must provide a written request stating reasons for an exemption to this requirement. The decision to allow or not allow an appeal outside of the 21-day period shall be at the sole discretion of the Executive Director.

GROUNDS FOR APPEAL

5. A decision cannot be appealed on its merits alone. An appeal may be heard only if there are sufficient grounds for the appeal. To have sufficient grounds, the appeal must be based on one or more of the followings potential errors having been made by the respondent:

- a) making a decision for which it did not have authority or jurisdiction as set out in governing documents;
- b) failing to follow procedures as laid out in the By-Laws or approved policies of the CFC;
- c) making a decision which was influenced by bias, where bias is defined as a lack of neutrality to such an extent that the decision maker is unable to consider other views;
- d) exercising its discretion for an improper purpose;
- e) making a decision which was grossly unreasonable.

SCREENING OF APPEAL

6. Within 3 days of receiving notice of appeal the chairperson shall decide whether or not the appeal is based on one or more of the categories of possible error by the respondent as set out in Section 5. The

chairperson shall not determine if an error has been made, only if the appeal is based on such an allegation of error by the respondent. In the absence of the chairperson, a member of the Executive shall perform this function.

7. If the appeal is denied on the basis of insufficient grounds, the appellant shall be notified of this decision in writing, stating reasons. This decision is at the sole discretion of the chairperson and may not be appealed.

APPEALS PANEL

8. If the chairperson is satisfied that there are sufficient grounds for an appeal, within 10 days of having received the original notice of appeal, he or she shall establish an Appeal Panel, with the "Panel" as follows:

- a) The Panel shall be comprised of three individuals who shall have no significant relationship with the affected parties, shall have had no involvement with the decision being appealed, and shall be free from any other actual or perceived bias or conflict.
- b) At least one of the Panel's members shall be from among the appellant's peers.
- c) The appellant shall be given the opportunity to recommend the peer member on the Panel, provided that member satisfies criteria (a), above.
- d) Should the appellant not recommend the Panel member as set out in c), above, within 5 days, the President shall appoint the peer member of the Panel.

PRELIMINARY CONFERENCE

9. The Panel may determine that the circumstances of the dispute warrant a preliminary conference:

- a) The matters which may be considered at a preliminary conference include the date and location of hearing, timelines for exchange of documents, format for the appeal, clarification of issues in dispute, any procedural matter, order and procedure of hearing, remedies being sought, identification of witnesses, and any other matter which may assist in expediting the appeal proceedings.
- b) The Panel may delegate to its Chairperson the authority to deal with these preliminary matters.

PROCEDURE FOR THE APPEAL

10. The Panel shall govern the appeal by such procedures as it deems appropriate, provided that:

- a) The appeal hearing shall be held within 21 days of the Panel's appointment;
- b) The appellant, respondent and affected parties shall be given 14 days written notice of the date, time and place of the appeal hearing;
- c) The Panel's members shall select from themselves a Chairperson;
- d) A quorum shall be all three Panel members;
- e) Decisions shall be by majority vote, where the Chairperson carries a vote.;
- f) Copies of any written documents which any of the parties would like the Panel to consider shall be provided to the Panel and to all other parties, at least 5 days in advance of the hearing;
- g) Any of the parties may be accompanied by a representative or advisor, including legal counsel.
- h) If the matter under appeal relates to team selection, any person potentially affected by the decision of the Panel shall become a party to the appeal;
- i) The Panel may direct that any other individual participate in the appeal;
- j) In the event that one of the Panel's members is unable or unwilling to continue with the appeal the matter will be concluded by the remaining two panel members;
- k) Unless otherwise agreed to by the parties, there shall be no communication between Panel members and the parties except in the presence of, or by copy to, the other parties.

11. In order to keep costs to a reasonable level, the Panel may conduct the appeal by means of a conference call or video conference.

APPEAL DECISION

12. Within 7 days of concluding the appeal, the Panel shall issue its written decision, with reasons. In making its decision, the Panel shall have no greater authority than that of the original decision maker. The Panel may decide:

- a) To void or confirm the decision being appealed;
- b) To refer the matter back to the initial decision-maker for a new decision; and
- c) To vary the decision where it is found that an error occurred and such an error cannot be corrected by the original decision-maker for reasons which included, but are not limited to, lack of clear procedure, lack of time, or lack of neutrality;
- d) To determine how costs of the appeal shall be allocated, if at all.

13. A copy of this decision shall be provided to each of the parties and to the President.

TIMELINES

14. If the circumstances of the dispute are such that this policy will not allow a timely appeal the Panel may direct that these timelines be abridged. If the circumstances of the disputes are such the appeal cannot be concluded within the timelines dictated in this Policy, the Panel may direct that these timelines be extended.

DOCUMENTARY APPEAL

15. Any party to the appeal may request that the Panel conduct the appeal by way of documentary evidence. The Panel may seek agreement from the other parties to proceed in this fashion. If agreement is not forthcoming, the Panel shall decide whether the appeal shall proceed by way of documentary evidence, or in-person hearing.

ARBITRATION

16. All differences or disputes shall first be submitted to appeal pursuant to the appeal process set out in this Policy. If any party believes the Appeal Panel has made an error such as those described in Paragraph 5 of this Policy, the matter shall be referred to arbitration, such arbitration to be administered under the Alternate Dispute (ADR) Program for Amateur Sport and its Rules of Arbitration, as amended from time to time.

17. Should a matter be referred to arbitration, all parties to the original appeal shall be parties to the arbitration.

18. The parties to an arbitration shall enter into a formal Arbitration Agreement and the decision of any arbitration shall be final and binding and not subject to any further review by any court of competent jurisdiction or any other body.

LOCATION AND JURISDICTION

19. Any appeal shall take place in the National Capital Region, unless held by way of telephone conference call or held elsewhere as may be decided by the Panel as a preliminary matter.

20. This policy shall be governed and construed in accordance with the laws of the Province of Ontario.

21. No action or legal proceeding shall be commenced against the Chess Federation of Canada in respect of a dispute, unless Chess Federation of Canada has refused or failed to abide by the provisions for appeal and/or arbitration of the dispute, as set out in this policy."

Motion 2005-18: Moved by Michael Barron, seconded by Michael Dougherty:

To encourage chess organizers in Canada to hold FIDE-Rated events and to resolve discrepancy between the current FIDE regulations (<http://www.fide.com/official/handbook.asp?level=b03>):

"03. FIDE Registration of International Competitions

Approved by the 1980 General Assembly.

Amended by the 1984, 1995 and 1996 General Assemblies and 1999 Executive Board.

FIDE provides an umbrella for vital services such as categorisation of tournaments and title norms. For these services FIDE should be properly funded. On registration FIDE shall supervise the proper scheduling of important events to avoid conflicts in the chess calendar. Registration shall consist of:

a. Certification by the national federation that it approves the event.

b. Arbitrator's report submitted not later than two weeks after conclusion of the event, including details of results, tournament category, norms, ratings of players, protests and other significant incidents.

c. The national federations in whose territories international chess competitions are held, are to register these tournaments at the FIDE Secretariat; a list of the registered tournaments will be published regularly; the federations will be invoiced once a year, effective with events beginning on or after January 1st, 1981, on the basis of the following division:

d. The registration fee is calculated on the basis of the following division: (GA '95)

Tournaments of categories 0 to 3 - 50 Swiss Francs (EB '99)

Tournaments of categories 4 and 5 - 100 Swiss Francs

Tournaments of categories 6 and 7 - 150 Swiss Francs

Tournaments of categories 8 to 10 - 200 Swiss Francs

Other categories multiply 40 Swiss Francs by the category.

Swiss Tournaments (Number of players multiplied by SFr.2 for up to 300 players and then multiply by SFr.1)

Team Tournaments (SFr.30 per team, except for national championship which will pay a maximum of SFr.200)

Matches, according to category above

e. (GA '95) However, in no case shall a federation be charged more than SFr.4,000. per year.

f. For the time being no registration fees will be required for ladies' tournaments although these tournaments as a matter of course should be registered.

g. Small tournaments such as local Swiss tournaments shall be exempt from registration fees. (GA '80)

h. Secretariat will exempt from registration fee an event in which less than five rateable results have been

reported. (GA '80)

i. (GA '96) Announcements of open tournaments should also be sent by email in ASCII text to FIDE for publication on the FIDE Web site."

and the current CFC regulations (http://chess.ca/section_7.htm):

"790. FIDE-Rated Events

Events may be rated by FIDE if they meet the following requirements:

- a) In a Round-Robin, at least 3 of the players must be rated.
- b) In a Swiss or Team event, only games against rated players are counted. If a player meets less than 3 rated opponents in an event, that event will not count towards his rating.
- c) Each player must have a minimum of 120 minutes. No more than two rounds per day are allowed.
- d) The event must be pre-registered with the CFC office at least four months before the start of the event. The FIDE Events pre-registration form to be sent to the CFC office is here. The crosstable must be sent to the CFC within one week of the completion of the event along with an updated event registration form, and the FIDE rating fee payment.
- e) The following scheduled FIDE rating fee structure is payable to the CFC provided the event is submitted within 1 week to the CFC office. If the event is submitted to the CFC office after 1 week, then there is a \$110 late fee due to the policies of FIDE. [see Motion 2003-05; 02-03GL4, January 2003]

Round Robin & Matches: Category 0 - 3 \$55, Category 4 & 5 \$110, Category 6 & 7 \$165, Category 8 to 10 \$220. For higher categories, multiply category by \$44.

Swiss Tournaments: Players 1 to 300 = \$2.20 per player; Players 301 & up = \$1.10 per player. In addition, there is a \$100 flat fee per tournament. So, if there are several FIDE rated sections in one tournament, you would still pay \$100.

Team Tournaments: Per Team = \$33.

FIDE Regulation B.01/8.11 states that "Games played against opponents who do not belong to FIDE-Federations or who belong to Federations which have been temporarily excluded are not included" in the composition of a Title Tournament. Accordingly, the CFC requires that all Canadian players who compete in a FIDE registered event be members in good standing of the CFC.

Upon completion of a FIDE-registered event, the CFC will put the crosstable in the required form and send it along to FIDE. Note that rated in a) and b) means FIDE-rated. Lists of Canadian FIDE-rated players are regularly published in our En Passant magazine, and available from the ratings page on our website. (FIDE congress 1982)",

the regulation 790 of the CFC Handbook should be repealed and replaced by the following:

"790. FIDE-Rated Events

Events may be rated by FIDE if they meet the following requirements:

- a) In a Round-Robin, at least 4 of the players must be rated.
- b) In a Swiss or Team event, only games against rated players are counted. If a player meets less than 3 rated opponents in an event, that event will not count towards his rating.
- c) Each player must have a minimum of 120 minutes for a game, assuming the game lasts 60 moves. No more than three rounds per day and a total playing time of no more than 12 hours per day are allowed.
- d) The event must be pre-registered with the CFC office. The FIDE Events pre-registration form to be sent to the CFC office is here (<http://www.chess.ca/pdf/FideEventReg.pdf>). The crosstable must be sent to the CFC within one week of the completion of the event along with an updated event registration form, and the FIDE rating fee payment.
- e) The following scheduled FIDE rating fee structure is payable to the CFC provided the event is submitted within 1 week to the CFC office. If the event is submitted to the CFC office after 1 week, then there is a \$110 late fee due to the policies of FIDE. [see Motion 2003-05; 02-03GL4, January 2003]

Round Robin & Matches: Category 0 to 3 - \$55, Category 4 & 5 - \$110, Category 6 & 7 - \$165, Category 8 to 10 - \$220. For higher categories, multiply category by \$44.

Swiss Tournaments: Number of players multiplied by \$2.20 for up to 300 players and then multiply by \$1.10.

Team Tournaments: \$33 Per Team.

- f) For the time being no FIDE rating fees will be required for ladies' tournaments although these tournaments as a matter of course should be registered.
- g) Small tournaments such as local Swiss tournaments shall be exempt from FIDE rating fees.
- h) All Canadian players who compete in a FIDE registered event should be members in good standing of the CFC.

Upon completion of a FIDE-registered event, the CFC will put the crosstable in the required form and send it along to FIDE. Note that rated in a) and b) means FIDE-rated. Lists of Canadian FIDE-rated players are available from the ratings page on our website."

Appendix 2: 2005-32 Harper / Charbonneau: motion on the Olympiad regulations

THE OLYMPIAD REGULATIONS

Objectives

1200. The main objectives of participating in the Chess Olympiad are to field teams which will achieve the highest possible results, while at the same time representing Canada favourably on the international stage.

Team structure

1201. The Canadian delegation to the Chess Olympiad shall consist of the following:

The Canadian delegation to the Chess Olympiad shall consist of the following:

- (a) Head of Delegation
- (b) National Team Captain
- (c) National Team Players
- (d) Women's Team Captain
- (e) Women's Team Players
- (f) Technical Assistants

Selection procedures

1202. Selection Procedures

The composition of the National Delegation shall be determined as set out below. Date references are always to the year in which the Olympiad is held.

1203. Timing

The following schedule is to be followed in determining the composition of the National Delegation. Each scheduled step shall be completed before the next step is taken. Once FIDE has announced the dates of the next Olympiad, the CFC shall post the dates of the CFC Olympiad schedule on the CFC website.

- (a) Appointment of Selection Committee:** The CFC Executive shall appoint a Selection Committee (1204) no later than 180 days before the start of the Olympiad.
- (b) Selection of players:** The composition of the Teams shall be determined by rating (1206) and the Selection Committee no later than 165 days before the start of the Olympiad.
- (c) Notification of players:** Players selected for the Teams shall be notified by the CFC Executive no later than 150 days before the start of the Olympiad.
- (d) Acceptance of players:** Players who agree to participate on the Team shall notify the CFC and remit the required deposit (1209(g)) no later than 120 days before the start of the Olympiad.
- (e) Nominations for Team Captains:** All nominations for Team Captains shall be submitted no later than 105 days before the start of the Olympiad.
- (f) Election of Team Captains:** The players shall submit their votes for Team Captains no later than 90

days before the start of the Olympiad.

(g) Appointment of Head of Delegation: The CFC Executive shall appoint the Head of Delegation no later than 75 days before the start of the Olympiad.

1204. The Selection Committee

The CFC Executive shall appoint a Selection Committee consisting of two well known and respected individuals who are of at least master strength and have knowledge of the Canadian chess community.

- (a) The Selection Committee shall be appointed no later than 180 days before the start of the Olympiad.
- (b) The Selection Committee shall select two players for the National Team and one player for the Women's team, taking into account the players' recent results, potential for improvement and such other factors as they consider relevant. These selections shall be made no later than 165 days before the start of the Olympiad.
- (c) To avoid any conflict of interest, except in exigent circumstances, a member of the Selection Committee may not play for a Canadian Team in the year in which he or she serves on the Selection Committee.

1205. Selection of the players

(a) Eligibility: Players are eligible to play on a Canadian Team if they are:

- (i) A Canadian Citizen or a permanent resident of Canada. Proof of status must be provided to the CFC Executive when a player accepts a position on a Team.
- (ii) A member in good standing of the CFC and the affiliated provincial association in the province of residence (if one exists) at the time of selection.
- (iii) Have played at least 10 CFC regular rated games during the year prior to the start of the selection process (180 days before the start of the Olympiad).

(b) National Team: The National Team shall consist of six players, as follows:

- (i) The Canadian Champion, as of 180 days before the start of the Olympiad.
- (ii) The three highest rated players on the Selection Rating list.
- (iii) Two players decided upon by the Selection Committee.

(c) Women's Team: The Women's Team shall consist of four players, as follows:

- (i) The Canadian Women's Champion, as of 180 days before the start of the Olympiad.
- (ii) The two highest rated female players on the Selection Rating list.
- (iii) One player decided upon by the Selection Committee.

(d) Notification: Players shall be notified of their selection by the CFC Executive no later than 150 days before the start of the Olympiad.

(e) Acceptance: Players shall notify the CFC Executive of their intention to play by no later than 120 days before the start of the Olympiad.

(f) Replacements: Replacement players shall be notified as soon as practicable and shall have one week after being notified to inform the CFC of their intention to play.

(g) Deposit: All players must, upon acceptance, provide the CFC Executive with a deposit of \$250. This deposit may be paid by a third party or Provincial association. This deposit shall be fully refunded, with interest, at the conclusion of the Olympiad if the player participates as he or she has promised to do. The

CFC Executive may, at its discretion, refund the deposit of a player who does not participate in the Olympiad if the circumstances of the non-participation justify the refund.

1206. Selection Ratings

Selection of players for the Teams by rating shall be based on the player's highest CFC rating during the year prior to the start of the selection process (180 days before the start of the Olympiad).

- (a) Established CFC regular ratings shall be used to determine team selection.
- (b) The CFC shall publish, with each rating update, a list of the top 10 Selection Ratings and the top 10 Selection Ratings of female players.

1207. Selection of Team Captains

The Team Captains shall be selected by the players on each Team, as follows:

- (a) For each Team, the CFC Executive shall nominate up to three candidates for Team Captain. In addition, each player may nominate one candidate for Captain of their team.
- (b) All nominations must be made submitted no later than 105 days before the start of the Olympiad.
- (c) The players on each team shall then vote to determine the Captain of their Team. Each player may vote for up to three candidates: the player's first choice counts as three votes; the second choice counts as two votes; and the third choice counts as one vote. The candidate with the most votes becomes Team Captain.
- (d) All votes for Team Captains must be cast submitted no later than 90 days before the start of the Olympiad.
- (e) Players on the National Team may only nominate candidates and vote for National Team Captain; players on the Women's Team may only nominate candidates and vote for Women's Team Captain.
- (f) The same person may be nominated and elected Captain of both Teams.

1208. Selection of the Technical Assistant(s)

Technical Assistant(s) shall be appointed by the Executive of the CFC.

1209. Head of Delegation

The Head of Delegation shall be appointed by the CFC Executive no later than 75 days before the start of the Olympiad.

1210. Withdrawals

Once all members of the Canadian Delegation to the Olympiad have be determined:

- (a) If a player withdraws, he or she shall be replaced by the next player on the Selection Rating List.
- (b) If a Team Captain withdraws, he or she shall be replaced by the runner-up in the vote for Team Captain.
- (c) If any other member of the Canadian Delegation withdraws, the CFC Executive shall appoint a replacement.

Roles

1211. Head of Delegation

The Head of Delegation shall represent the interests of the Chess Federation of Canada and the Canadian delegation at the Olympiad and:

- (a) Shall act as a liaison between the Canadian delegation and the Olympiad organizers;
- (b) Be concerned with the day-to-day necessities of the Canadian delegation and other practical issues.
- (c) Foster a cohesive atmosphere on Canadian teams and seek to resolve any personal disputes or misunderstandings between team members.
- (d) The Head of Delegation is responsible to and should consult with the CFC Executive before making significant decisions affecting the members of the delegation, but decisions by the Head of Delegation are final and may not be appealed.
- (e) The Head of Delegation shall submit a written report on the Olympiad within two weeks of its completion.
- (f) If finances do not permit sending a Head of Delegation, the National Team Captain shall assume the responsibilities and duties of the Head of Delegation.

1212. Captains

Both the National Team and the Women's Team shall have a Team Captain. These roles may be carried out by the same person.

The duties of the Team Captains include:

- (a) Choosing who plays and who sits in each match. These decisions should be made in an impartial and fair manner, based on the physical condition and playing form of the players, the frequency of play up to that point, and the likely players on the opposing team for that round.
- (b) Determining and articulating the strategy for each match.
- (c) Organizing and conducting daily team meetings.
- (d) Providing motivational leadership with the goal of having each player perform up to or even beyond their abilities. This includes acting in conjunction with the Head of Delegation to forestall or remove conflicts between the players.

On these matters, the Captain's decision is final and may not be appealed or overruled.

1213. Players

- (a) Players are required to attend team meetings and attend preparation/training sessions.
- (b) Players are expected to act in a responsible fashion and in the interests of the Canadian Teams.
- (c) Disputes between players are to be brought to attention of the appropriate Captain, who shall resolve the dispute as he or she deems appropriate.

1214. Technical Assistants

Technical assistants assist the Captain and Team members by helping prepare the players for their games, analyzing games, managing data bases, collecting daily bulletins, and so on. Technical assistants must accept the authority of the Head of Delegation and the Team Captains.

Board Order

1215. Board Order

The board order for each Team shall be based solely on Selection Rating, with the player with the highest selection rating being board 1, and so on. In the event two players have the same selection rating, the Team Captain shall decide the board order.

Finances

1216. Fund raising and sponsorship

- (a) The CFC shall actively raise funds and seek sponsorship for Canadian participation in the Olympiad.
- (b) Sponsors and donors may specify that some or all of their contribution to the costs of Canadian participation in the Olympiad be directed towards paying the travel costs or appearance fees a specific player, players or other member of the Canadian delegation.

1217. Expenses

- (a) The CFC shall pay the travel expenses of:
 - (i) the Canadian Champion;
 - (ii) the top four players of the National Team other than the Canadian Champion;
 - (ii) the Canadian Women's Champion;
 - (iv) the top two players on the Women's Team other than the Canadian Women's Champion.
- (b) If finances permit, the CFC shall pay the travel expenses of:
 - (i) The sixth player on the National Team;
 - (ii) The fourth player on the Women's Team;
 - (iii) The Team Captains of each Team;
 - (iv) The Head of Delegation;
 - (v) One or more Technical Assistants.
- (c) If finances permit, the CFC shall pay each player on both the National and Women's Team no less than \$100 and no more than \$250 pocket money. Each player shall receive the same amount of pocket money, regardless of title, rating or gender. Pocket money shall be paid when the Olympiad begins.
- (d) The CFC Executive shall determine the extent to which CFC finances permit the expenditures partial or full payment of travel expenses for those listed in (b), above, and the amount of pocket money to be paid to each player.

1218. Appearance fees

- (a) The CFC Executive may, at its discretion, approve the payment of appearance fees to specific players.
- (b) The payment of appearance fees to specific players is distinct from the payment of travel expenses and pocket money.
- (c) The appearance fees paid to each player shall not be confidential and the CFC Executive shall inform the Governors of such payment.

* * *

In 2006, the Chess Olympiad is scheduled to be held in Turin, Italy, May 20 - June 4, 2006. The dates for selecting the Canadian Olympiad Delegation would therefore be:

1203. Timing

The following schedule is to be followed in determining the composition of the National Delegation. Each scheduled step shall be completed before the next step is taken. Once FIDE has announced the dates of the next Olympiad, the CFC shall post the dates of the CFC Olympiad schedule on the CFC website.

(a) Appointment of Selection Committee: The CFC Executive shall appoint a Selection Committee (1204) no later than 180 days before the start of the Olympiad.

November 21, 2005

(b) Selection of players: The composition of the Teams shall be determined by rating (1206) and the Selection Committee no later than 165 days before the start of the Olympiad.

December 6, 2005

(c) Notification of players: Players selected for the Teams shall be notified by the CFC Executive no later than 150 days before the start of the Olympiad.

December 21, 2005

(d) Acceptance of players: Players who agree to participate on the Team shall notify the CFC and remit the required deposit (1209(g)) no later than 120 days before the start of the Olympiad.

January 20, 2006

(e) Nominations for Team Captains: All nominations for Team Captains shall be submitted no later than 105 days before the start of the Olympiad.

February 4, 2006

(f) Election of Team Captains: The players shall submit their votes for Team Captains no later than 90 days before the start of the Olympiad.

February 19, 2006

(g) Appointment of Head of Delegation: The CFC Executive shall appoint the Head of Delegation no later than 75 days before the start of the Olympiad.

March 6, 2006

Motions For Vote:

Motion 2005-23 (Moved and seconded by Patrick McDonald and Chris Mallon)

That the CFC Youth Coordinator be given the mandate by the Assembly of Governors to strike a committee to pursue an agreement with the Chess 'n Math Association that will see better and more cooperation between the two organizations (CFC and CMA) subject to the following guidelines.:

- d) CMA is responsible for junior chess in Canada under the umbrella of the CFC. The position of CFC Youth Coordinator continues to exist and is the link between the two organizations.
- e) CMA is responsible for book & equipment sales with an amount being turned over to the CFC every 3 months based on the net profits earned by the CFC in the last 3 years in this area. CFC would no longer operate a Book & Equipment business.
- f) The CFC is responsible for the rating of all players. CMA would no longer operate a separate rating system. All the CMA official events would be rated with the CFC.

Vote YES NO ABSTAIN

Motion 2005-35 moved by Bruce Harper, seconded by David Cohen:

That the deadline for the committee established by Motion 2005-12 to consider the format and timing of the Canadian Championship and the Canadian Women's Championship be extended, with the committee to report to CFC prior to the 2005 Annual General Meeting.

Vote YES NO ABSTAIN

Motion for Second Discussion:

2005-25: Membership rebates

2005-26: CFC / FIDE Handbook reconciliation

2005-27: CFC / FIDE Handbook reconciliation (Swiss pairings)

2005-28: Director of Fundraising

2005-29: Director of Publicity

2005-30: Removal of Peak Rating from Bonus Point rating calculation

Motions for First Discussion:

Motion 2005-31 Numbers of Governors per province

Motion 2005-32 CFC Olympiad Regulations

Motion 2005-34 National Chess Week. October 3rd-9th, 2005

Motion 2005-36 Ratings System Review Committee

Motion 2005-37: Online magazine committee

Deadline for submissions to GL #7: Friday, May 6th, 2005

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