

CHESS FEDERATION OF CANADA

GOVERNORS' LETTER SIX

2008-2009



Responses may be mailed, faxed or E-mailed to the Chess Federation of Canada, 356 Ontario Street, Suite 373, Stratford, ON N5A 7X6, Phone: (519) 508-2362, Fax: (519) 508-6595, 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.

CFC Online Forum: <http://chesscanada.info/forum/>

President's Message

Last year this Executive took office with certain specific goals in mind. We have come a long way to realizing all aspects of our agenda. The CFC will have an operating surplus for the first time in many, many years. I have attached an operating budget for fiscal 2010. Some aspects of the agenda were obvious, and others were proved to be unexpected yet fortuitous

After prolonged negotiations it became apparent that it would not be possible to agree to the terms proposed by the acting Executive Director. The Executive voted unanimously to accept an unsolicited proposal from Gerry Litchfield and Patrick Smale to take over the management of the CFC office as the new Executive Director. This proposal was both more financially prudent and more ambitious than anything else we had considered and is a key reason that the CFC is finally on a secure financial footing.

The CFC has established an on-line magazine to replace the print magazine. However, the webzine is not yet where we need it to be. We had retained a number of Canada's top players as regular contributors but the weekly columns were not implemented. Hopefully this will be a priority for the new Executive Director.

There has been considerable discussion over the years regarding Governor participation. Like many, I assumed that there were too many Governors and now there is a motion on the floor to reduce the number of governors. However, I have to ask, what specific problem does reducing the number of Governors solve? Have there been motions that failed due to a lack of quorum? Have motions failed to pass simply because not enough people voted? While the optics of half the Governors not voting is bad, we should remember that in time of crisis the vast majority of Governors have stepped up and voted. On the other hand, there is a real risk in reducing the number of Governors too much. By minimizing voices, we run the risk of having a very small group of unelected Governors essentially running the organization with no mechanism for change. Fundamentally, reducing the number of Governors is undemocratic and does not solve any problem other than one of optics.

I have tabled a number of motions in this GL for vote at the annual meeting. I think that it is very important for the job descriptions of the Executive to reflect the objectives of the organization. Currently, no member of the Executive is responsible for our major championships. We need Executives who understand their responsibilities and who are ready to fulfil them.

Best wishes to all

David Lavin
President, Chess Federation of Canada

CFC Budget Forecast for 2010 (May 1, 2009 - April 30, 2010)

Revenues	Notes
Membership dues	\$44,000
Rating fees - Adult	\$23,000 includes FIDE rating fees and non-electronic charges
Interest from Foundation (155k + 75k)	\$6,000
Equipment sales	\$6,750 minimum as guaranteed by FEN
Amazon Book sales	\$500
<hr/>	
Total Revenues	<u>\$80,250</u>

Expenses

Office Contract	\$41,350	
Bank Charges	\$1,800	
General Office	\$1,700	
FIDE - membership dues etc	\$2,500	
FIDE - rating fees	\$6,000	The FIDE cap has been increased
SwissSys maintenance fee	\$1,000	
Insurance	\$1,000	
Other International	\$3,000	
Magazine contributors (\$ 750 / month)	\$9,000	
Website and Webzine Development	<u>\$10,000</u>	This is foreseen as a one time cost for redesigning the website and webzine
	<u>\$77,350</u>	
 Surplus/Loss	 <u>\$2,900</u>	

Message from the Secretary:

First some housekeeping matters: Tony Ficzere (AB) Kerry Liles (ON) have resigned as Governors. Secondly, Governors should note the change in phone and fax numbers for the Office as given in the header and in the Annual General Meeting Proxy forms which are included at the end of this Governors' Letter. Lastly we have the reports of the Chess Foundation of Canada to be presented at the AGM.

The two bids in Appendix 2 have been approved by the Executive and are presented for the information of Governors.

Please consider the 6 motions carefully in preparing for the meeting whether that be in the form of attending personally or by proxy.

The last Governors' Letter before an Annual General Meeting has always been a time where the outgoing executive reflect on the moves made in the last year. This year has been more difficult than most.

This has been a momentous year in the Federation where the board has had to face some very tough medicine in the form of the sale of the Business Office building and a large-scale restructuring of our finances. While negotiations were under way it was not possible to publicize all our steps as that would weaken our negotiation position but it is our hope that the Governors will approve what we have done.

It's fair to say that this year's board was NOT happy to be taking the strong steps we had to take but it was clear that 3 or 4 more years under the present setup was a recipe for insolvency and the alternative was winding up the Federation which no one wanted. For myself, I say that many of the decisions we took gave me no pleasure but were done to put the Federation on a far more stable foundation.

We have indeed lived in "interesting times" this year and I speak for the Directors in saying that we hope we have left the 2009/10 board a much cleaner road to follow that we have had in the last year.

I will be a candidate for Secretary in 2009/10 and hope to be back to serve you again. If this is not to be then I'd like to express my thanks for having had the opportunity to serve the game I love.

Lyle Craver

Secretary, Chess Federation of Canada

Special Notice to all Provincial Presidents and Secretaries: It is critical that your list of 2009/2010 Governor nominees be submitted immediately so that all incoming Governors receive proxy forms so that all affiliates are represented at the AGM. This did NOT happen last year and we would like to prevent a repetition.

Remember – any adult member of the CFC in good standing is eligible to be a Governor. We need to get full contact information including e-mail address for all incoming Governors!

Youth Coordinator Report

The organizers of the CYCC and Canadian Junior are doing a great job advertising the tournaments.

As of June 11th there were 113 players registered for the CYCC, so is on track to have between 120 and 150 players. They arranged some bursaries to cover part of the accomodation costs for eligible players from various provinces to attend the Canadian Junior. They would love to welcome players from the Maritimes who are not currently registered.

This year's WYCC will be held in Kemer Turkey (same as in 2007) from Nov 11th to Nov 23rd.

It was an interesting year. I learned to appreciate the qualities of my collegues on the Executive committee. This is a volunteer organization and I believe the executive and the Governors have the best interest of the CFC at heart.

I have made comments concerning the Motion 2009-13 under that section discussion.

Ellen Nadeau

Message from FIDE Representative:

Dear Lyle,

Dear Governors,

I'm pleased to announce a great chess summer ahead of us!

Besides of Canadian Open, Canadian Youth and Canadian Junior Championships we will have Canadian Women's Zonal Championship in Kitchener July 30 – August 3 and Canadian Closed Zonal Championship in Guelph August 7 – 16. Please find bids for these Championships submitted by their organizer IA Hal Bond and approved by the CFC Executive as Appendix 1 to this GL.

I would like to inform you that from July 25 to August 2 in Sao Paulo, Brazil, will take place Continental Chess Championship 2009, where Canada will be represented by GM Kevin Spraggett and IM Ron Livshits.

And please don't forget about CFC Annual General Meeting in Edmonton July 13 and 14!

June 12, 2009

Michael Barron,
FIDE Representative,
Canadian Zonal President"

RESULTS OF VOTING: none

MOTIONS FOR FINAL VOTE:

Motion 2009-10 (Moved / Seconded Hal Bond / David Lavin)

Any player from Canada who applies for a FIDE player title must have maintained a CFC rating, for at least 15 games, which is not more than 100 points below the FIDE benchmark for the title/norm in question.

Title	FIDE Benchmark	Minimum CFC Rating
FM	2300	2200
IM	2451	2351
GM	2601	2501
WFM	2100	2000
WIM	2251	2151
WGM	2401	2301

Hal Bond: The CFC has no regulations which guard against player titles being earned under questionable circumstances, or titles which can be earned at our Zonal Championships. The intent of this motion is to provide some modest criteria for such cases.

At the Dresden Congress a Canadian player's IM title application came under scrutiny. With a CFC rating of 2266 and a FIDE rating of 2229, the individual travelled to Eastern Europe in 2005 and 2006, where he scored 3 IM norms and added 180 points to his FIDE rating. He then returned in 2008 to this same region where he held his FIDE rating over 2400 in 3 more tournaments. He has not played in Canada since 2004

Motion # 2009-11 : Moved: Kerry Liles; Seconded: Michael von Keitz

- that section 5 of CFC Bylaw 1. dealing with " Ordinary Membership ", Section 2 of the CFC Handbook, is amended by adding after the words " the assembly of governors ", the following:
-
" (see CFC Rules and Regulations, Article 1, Section 9) ".

Commentary: The new section 5 as amended will read:

CFC Bylaw 1

ORDINARY MEMBERSHIP

5. Any person, ordinarily resident in Canada , may become an Ordinary Member of the Federation, for the then-current fiscal year, upon payment of the Membership per Capita Fee, directly to the Federation, or through his Provincial Organization. Every Ordinary or Life Member has a right to vote on the appointment or election of the Governor or Governors who will represent his Provincial Organization. Every Ordinary or Life Member has a right to vote on the appointment or election of the Governor or Governors who will represent his Provincial Organization at the assembly of Governors (**see CFC Rules and Regulations, Article 1, Section 9**), but shall not be entitled to vote under any other circumstances unless specifically provided in these by-laws.

This amendment, referring to section 9 of Article 1 of the CFC Rules and Regulations, is necessary to have this section not conflict with the new amended section 9. Currently the old section requires that each CFC member is allowed to vote for ALL provincial CFC Governors for that province. This amendment makes it clear that a province will be able to restrict its CFC members to only voting for CFC governors for their provincial region, if the province is so divided.

Note that this amendment is considered a constitutional amendment under Bylaw # 3 of the CFC, section 3, which is:

BY-LAW NUMBER THREE OF THE CHESS FEDERATION OF CANADA

ANNUAL MEETING AND AMENDMENTS TO THE CONSTITUTION

1.

2. All matters to be decided by the Assembly, shall be decided by a majority vote, save as hereinafter provided.

3. Any amendment or revision of **these By-Laws**; any matter pertaining to any international agreement between the Federation and any international or foreign Chess Federation or Association; and any matter pertaining to the payment of dues to the Fédération International des Echecs may be made,

(a) **at any Annual Meeting** of the Assembly, providing that a notice of intention to submit such matter to a vote has been received by the Secretary at least 30 days prior to the date of such Annual Meeting and has been transmitted by the Secretary to each Governor at least 14 days prior to the date of such Annual Meeting and that any resolution pertaining to such matter shall be **approved by at least a two-thirds majority of the votes of those present and entitled to vote, including proxy votes.**

(b) **at any time through a mail vote** of Assembly, providing that the exact wording of such proposed amendments or revision, or of the resolution to be passed by the Board through mail vote is submitted to each Governor at least fourteen days before the expiry of the time limit specified by the President for the receipt of the votes by the Secretary, and that **at least one-half of the number of votes eligible to be cast has been received by the Secretary, and there is a majority of at least two-thirds of the votes cast in favour** of the proposed amendment or revision or resolution.

Motion # 2009-12: Moved: Kerry Liles; seconded: Michael von Keitz;

- that section 9 of the Article 1 of the CFC Rules and Regulations, section 2 of the CFC Handbook, is amended by adding at the end the sentence:

“ However, should the Provincial Organization see fit, it can devolve the holding of meetings to regional affiliates, and restrict the Federation Members to voting only for the CFC Governors allocated to that particular region. “

Commentary: The new section 9 as amended will read:

CFC Rules and Regulations, Article 1

SELECTION OF GOVERNORS BY PROVINCIAL ORGANIZATION

9. As soon as possible after the receipt by a Provincial Organization of the aforementioned Certificate, such body will convene a meeting of its Federation Members for the purpose of electing its necessary number of nominees for the Board for the ensuing term. **However, should the Provincial Organization see fit, it can devolve the holding of meetings to regional affiliates, and restrict the Federation Members to voting only for the CFC Governors allocated to that particular region.**

Each CFC member has the unrestricted right to vote for ALL CFC Governors for that Province. That is the interpretation given to the CFC Handbook sections by CFC and by the provinces of B.C., N.S, and N.B (We are not aware of the interpretation of other provinces).

(Lyle Craver: As well as being national Secretary, I am BC provincial Secretary/Treasurer and am unfamiliar with BC ever having endorsed this interpretation – ed.)

But what is appropriate for provinces with fewer members, is not appropriate for a large province like Ontario which has many CFC members spread throughout the province. To make the system of CFC Governor election more effective, Ontario has used the concept of localizing the election of CFC Governors into geographic regions. CFC Members often do not know those standing for Governors in other regions, and their vote in that regard would be uninformed. But each member can know those running for governorship in their own region of the Province. So it is beneficial for a CFC

member in Ontario to have his vote RESTRICTED to those CFC Governors from his own region. And this system could be applicable to any other province/territory, if they wished to regionalize as well.

The problem is that the CFC Handbook as currently written does not give the Provincial Organizations the power to restrict the CFC member governor vote in this way. An amendment of the CFC Handbook is therefore required for this. The amendments will then legitimize the current Ontario CFC Governor election system. And it will make such a system available to any other province/territory interested in such a regime.

Motion 2009-13 Re: CYCC Qualifiers

(Ellen Nadeau / David Lavin)

The motion to replace the Articles 1003, 1004, 1005, 1006 of the CFC handbook is as follows:

Will participate in the CYCC 2010 and subsequent CYCCs, only:

-the qualifiers from that years YCCs

-the qualifiers from the CYCC to the WYCC of the previous year

-the highest rating of each age category (open and female) of each province(as of May 1st prior to the CYCC) .

The proof of qualification will rest with the applicants to the CYCC

Discussion: See Junior Coordinator's report above

Ellen Nadeau: I am surprised that there were no comments sent to the Secretary for inclusion of this GL.

Please note that a YCC tournament must be 'sanctioned' by the CFC to be considered a YCC qualifier event for the CYCC. Organizers must be contact the Youth Coordinator to arrange payment and...

Motion 2009-14: Moved: Governor Patrick McDonald; Seconded: Governor Paul Leblanc

Numbers of Governors for Each Province: this subsection of section 1 of By-law # 2, shall be amended by deleting in both places the word " fifty " and substituting for it the words " one hundred ".

Commentary:

The current subsection of section 1 of By-law # 2 dealing with "Numbers of Governors for Each Province" is:

Provincial/Territorial Governors: BY-LAW NUMBER TWO OF THE CHESS FEDERATION OF CANADA

1. ASSEMBLY OF GOVERNORS

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.

By this motion, the number of Provincial/Territorial Governors shall roughly be reduced by 50%. This would mean that the number of governors for a province/territory will be one for every 100 members (or part thereof), instead of 50 members. We set out below a rough estimate of what that would mean, based on the number of 2008-9 Governors:

Provincial/Territorial Governors:

	<u>Current</u>	<u>Proposed</u>
A - B.C. -	5	3
B - Alta. -	5	3
C - Sask. -	1	1
D - Man. -	2	1
E - Ont. -	17	9
F - Que. -	2	1
G - N.B. -	2	1
H - P.E.I. -	1	1
I - N.S. -	2	1
J - Nfld. & Lab. -	1	1
K - no reps from the 3 territories (3 vacancies)		same
Total -	38 (and three vacancies)	22 (and three vacancies)

Our first concern is “administrative”. There are 61 governors for about 1400 adult members. This works out to about a governor for every 23 adult members. Where do you get these kinds of representation figures in real life organizations?? This is bureaucratic overkill. And it makes decision-making difficult when there are so many voters to communicate with and get to vote. Getting quorums becomes a problem with such a large body of deciders. It makes constitutional amendments outside of the AGM almost impossible. Today’s business models tend to be lean and mean – smaller groups that can make decisions quickly – our system is cumbersome to say the least. Surely the system needs at least to be somewhat leaner.

Reducing provincial governor representation by half would greatly assist decision-making by the CFC. A smaller decision-making body in this aspect would help streamline the organization and make decision-making much more effective.

Our second concern is “qualitative” - that over the years, we have seen exceptionally low participation by governors in voting, and in participating in CFC affairs in various ways. For example, CFC motion 2009-06, voted on by e-mail in December 2008, had only 15 governors voting out of a total of 61 – this is an abysmal participation rate of 25% ! Motions 2009 -5, 7, and 8 did a bit better, with an average of 28 governors voting, but even then we are still at a less than 50% participation rate (only 46 %). We feel that this impairs the effectiveness of the organization, and demoralizes those who do participate.

One of the problems is that the provincial associations have trouble recruiting sufficient good candidates for the high number of current governor positions. Simply put, there are not enough good people to go around. Consequently, in an attempt to fill the seats, the provinces drag members in who have little commitment to working for the organization, though they may agree to have their names put forward, to be cooperative. But they have no intention of participating. If the number of positions was reduced by 50%, the provinces would have a chance of filling the lower number of places with good candidates.

Our governor structure has great merit – it is democratic and representative. But decision-making needs to be streamlined.

[Editorial Note: the mover and seconder have requested that this be considered a Constitutional Amendment as discussed in Bylaw # 3 of the CFC, section 3, which Governors can review at http://www.chess.ca/section_2.htm - I fully support this request – ed.]

Motion 2009-15 Moved David Lavin/Maurice Smith

Moved to amend By-law Number three of the Chess Federation of Canada, the section “Duties of Officers” to read:

President

The President has the full power to make any and all decisions on any matter that is not explicitly the responsibility of the Assembly of Governors and/or The Board of Directors (aka – The Executive). In matters where an immediate decision is not required the President will confer with other members of The Board of Directors. The President must present a budget for the new fiscal year to The Assembly of Governors at least 30 days prior to the start of the new fiscal year. This budget must indicate a surplus for the upcoming fiscal year.

The President will make best efforts to ensure that the annual budget is adhered to by the Executive Director.

Vice President

The Vice-President will take on the duties and title of President if and when the President becomes unwilling or unable to discharge his/her duties.

The Vice-President will manage the CFC's relationship with FIDE, including submitting title requests on behalf of Canadians who have qualified for various titles.

Secretary

The Secretary will be responsible for the safekeeping of all books, records, correspondence and other documents pertaining to the affairs of the CFC.

The Secretary will be responsible for the minutes of the AGM and any and all Executive Meetings.

The Secretary will be responsible for the distribution to the governors of all motions, and for the tabulation of the voting results for all motions.

Treasurer

The Treasurer will be responsible for reviewing the financial statements as produced by the Executive Director and for producing audited statements if requested by The Executive. The Treasurer will also be responsible for developing, in conjunction with the President, an annual budget at least 30 days prior to the fiscal year-end.

Tournament Coordinator

The Tournament Coordinator will help to develop and train tournament organizers and directors across the country.

The Tournament Coordinator will be responsible for soliciting individuals to bid on and organize major tournaments in Canada, including, but not limited to:

The Canadian Open Championship The Men's and Women's Olympic Teams The Canadian Closed Championship

Junior Coordinator

The Junior Coordinator will be responsible for coordinating our participation in the WYCC and for finding organizers for:

The Canadian Junior Championship Youth Chess Championship, Canadian Youth Chess Championship

External Coordinator

The EC will be responsible for promoting the image of the CFC and as such will work with chess clubs across Canada to raise the profile of the CFC; work with the editor of the webzine to develop content that is club specific work with the editor and celebrity chess commentators to develop paid content that raises the profile of the webzine and the CFC

General Comments from Governors: none

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Please also send a copy of your proxy to the Secretary at lcraver@shaw.ca or faxed to (604)987-5303

Appendix 1: BIDS TO BE CONSIDERED AT THE ANNUAL GENERAL MEETING 2009 Canadian Women's Closed and Zonal Championship

9 Round Swiss (or best option)

Venue: Kitchener City Hall

Minimum Rating Requirement: 1700(CFC, FQE or FIDE)

Winner will represent Canada at the 2010 Women's World Championship,
2nd and 3rd finishers - at the next Women's Continental Championship.

Time Control: 40/90, G/30 +30 seconds from 1st move

Event Schedule:

Thursday, July 30, 4:00pm

Opening Ceremony, Appointment of Appeals Committee and drawing of lots

Round 1: Thursday, July 30, 6pm

Round 2: Friday, July 31 10am

Round 3: Friday, July 31, 4pm

Round 4: Saturday, August 1, 10am

Round 5: Saturday, August 1, 4pm

Round 6: Sunday, August 2, 10am

Round 7: Sunday, August 2, 4am

Round 8: Monday, August 3, 10am

Round 9: Monday, August 3, 4pm

Accommodation: Walper Terrace Hotel, tournament rates TBA.

To Register: Send cheque for \$250 payable to Hal Bond

#205 - 105 Conroy Crescent

Guelph Ontario N1G 2V5

Budget: 100% of entries less direct expenses returned as prizes

Based on 10 Entries

10 players @ \$250	\$2,500
Sponsors	200
Total Revenue	\$2,700
CFC Rating	30
FIDE Rating	55
Arbiters	200
Hospitality	115
Travel to World Cup	<u>1000</u>
Total Costs before Prizes	<u>1,400</u>

Prize Fund:

First	600
Second	400
Third	300
	<u>1,300</u>

Total Expenses	\$2,700
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2009 Canadian Closed and Zonal Championship:

Dates: August 7 – 16, 2009

Venue: Peter Clark Hall, Guelph University Centre

Eligibility: Provincial Champions, Titled players (FM, IM, GM), players rated 2200 or above.

Winner will represent Canada at the 2009 World Cup in Khanty Mansiysk,

2nd and 3rd finishers - at the next Continental Championship.

Entry Fee: \$250 early fee or \$300 after August 1, 2009-06-09

Organizer: Hal Bond halbond@sympatico.ca

Registration: Mail entry fee to:

Hal Bond

#205 – 105 Conroy Crescent, Guelph, ON, N1G 2V5

Event Schedule:

Friday, August 7:

Opening Ceremony, Appointment of Appeals Committee and drawing for colour on first board

Round 1: Saturday, August 8, 3pm

Round 2: Sunday, August 9, 3pm

Round 3: Monday, August 10, 3pm

Round 4: Tuesday, August 11, 3pm

Round 5: Wednesday, August 12, 3pm

Round 6: Thursday, August 13, 3pm

Round 7: Friday, August 14, 3pm

Round 8: Saturday, August 15, 3pm

Round 9: Sunday, August 16, 3pm

Time Control: 40/90, G/30 +30 seconds from 1st move

Accommodation:

University of Guelph's Conference Services will have an accommodation webpage available shortly. residences are available from \$50 -90 per nite. The Delta and Ramada (now a Best Western) both border the campus and I am still awaiting their firm quotes in the 120-140 per nite range. The nearest 4 hotels are described below per the U of G website.

Delta Guelph Hotel & Conference Centre

The brand new Delta Guelph Hotel is located at the corner of Stone Road and Gordon Street, just across the street from the University and just minutes away from the Stone Road shopping areas. This hotel features 148 contemporary guest rooms and suites. They have an in-house lounge and restaurant

highlighting much of Guelph's local and regional cuisine.

Ramada Hotel (Best Western) The Ramada Hotel is located one block south of campus and is within walking distance of the University. This hotel features 104 rooms, an on-site restaurant, a lounge and an outdoor pool.

Holiday Inn

The Holiday Inn Guelph is located 1.6 kilometers from campus. They have recently renovated the entire facility with many upgrades including heated bathroom floors, on command movies and new décor throughout. The indoor swimming pool and exercise room will be a great way to start or end your day. They are conveniently located beside Stone Road Mall and within walking distance of many restaurants and movies.

Days Inn

The Days Inn features 87 recently renovated rooms and is located within walking distance of the University. Included in the room rate is a continental breakfast.

Budget:

100% of entries less direct expenses returned as prizes

Based on 50 Entries

50 players @ \$250	\$12,500
Sponsors	<u>500</u>

Total Revenue	\$13,000
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Zonal Fees	750
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CFC Rating	150
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FIDE Rating	200
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Arbiters	1,500
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Hospitality	700
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Travel to World Cup	<u>2,000</u>
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Total Costs before Prizes	6,100
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Prize Fund:

First	\$3,000
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Second	2,000
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Third	1,200
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Fourth	<u>700</u>
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Prize Total	<u>6,900</u>
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Total Expenses	\$13,000
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Appendix 2: Year-End Report Chess Foundation of Canada

31 May 2009

CHESS FOUNDATION OF CANADA **2008/2009 TREASURER'S REPORT**

1. A financial statement for the year ending 30 April 2009 is enclosed.
2. Assets on hand total \$161,397 and are invested as itemized in the financial statement. This total includes the Pugi Memorial Fund balance of \$20,504.
3. The Foundation Trustees approved a further \$18,500 emergency loan to the Chess Federation of Canada during this period. This loan and the preceding loan of \$30,000 were repaid in full in February 2009. Once the loan was repaid, the 2007/2008 annual disbursement from the Foundation to the CFC (\$5682) was submitted to the CFC.
4. Investment income for 2008/2009 was somewhat less than 2007/2008 for two reasons:
 - a. funds invested were less due to the \$48,500 interest free loan to the CFC; and
 - b. market interest rates on fixed income investments have declined.
5. The Foundation's investments have been diversified somewhat. Fifteen percent of assets have been invested in preferred shares carrying an average dividend yield of 6% and 15% of assets have been invested in an exchange traded fund comprising the 60 largest publicly traded Canadian companies. This small equity investment will provide some growth to the Foundation's assets and currently yields 3.5%.
6. A cheque for \$4,384 will be forwarded to the CFC of which \$760 is specified for the Pugi Fund to assist promising junior players.
7. Please ask all members to consider the Chess Foundation of Canada when deciding on charitable gifting and/or estate planning. I would be pleased to act as a point of contact for anyone needing further information.

Paul C. Leblanc, Treasurer
250-388-5187
pc-leblanc@shaw.ca

CHESS FOUNDATION OF CANADA
FINANCIAL STATEMENT
YEAR ENDED 30 APRIL 2009

Summary of Receipts and Disbursements

Receipts:

Life Memberships Apr 07 – Apr 08	4,590
Life Memberships Apr 08 – Jan 09	900
Donation	240
Income from Investments	<u>4,684</u>
	10,414

Disbursements:

CFC for FY 2007/2008	5,682
Pugi Fund 2007/2008	820
Accounting Osborne & Watts FY 2007/2008	<u>300</u>
	6,802

Consolidated Balance Sheet

Assets:

Investments	160,857	note 1
Life Memberships Receivable from CFC	<u>540</u>	
	161,397	

Liabilities:

Remit to CFC for FY 2008/2009	3,624	note 2
Remit to CFC from Pugi Fund for FY 2008/2009	760	
Chess Foundation Equity	136,509	
Pugi Fund Equity	<u>20,504</u>	
	161,397	

Note 1 Summary of Investments:

	Cost	Market Value
National Bank 4.5% GIC 22 Jun 09	33,000	33,000
National Bank 4.1% GIC 06 Dec 10	33,000	33,000
Laurentian Bank 4.22% GIC 24 Jan 11	16,000	16,000
CIBC Mortgage 3.25% GIC 6 Mar 12	25,000	25,000
1700 iShares TSX 60 @ 14.24	24,067	24,208
800 TD Bank Preferred Series O @ 19.47	14,858	15,576
700 Royal Bank Preferred Series AG @ 17.98	12,649	12,586
Cash and Money Market Funds	<u>1,487</u>	<u>1,487</u>
	160,061	160,857

Note 2 Calculation of 2008/2009 Remit to CFC and Pugi Fund:

Income from Investments	4,684
Less 2007/2008 Accounting Fee	<u>-300</u>
	4,384
Pugi Fund 20,504 x 4% - \$60 share of Accounting Fee	760
Remainder to CFC	3,624

Prepared by:

Paul Leblanc
Treasurer
31 May 2009

CHESS FOUNDATION OF CANADA HISTORY

Year	Receipts	Income	Expenses	Market Value
1995	Nil	7,639.30	Nil	86,925.70
1996	500	6,057.94	Nil	86,651.57
1997	500	8,221.14	Nil	97,161.66
1998	570	9,371.45	Nil	100,926.97
1999	550	5,423.01	Nil	103,175.82
2000	500	5,824.36	Nil	107,662.17
2001	500	7,925.19	Nil	112,325.55
2002	1,000	4,644.39	Nil	138,896.89
2003	931.11	6,419.66	374.50	143,109.46
2004	125	4,988.04	374.50	150,265.12
2005	Nil	5,830.74	374.50	151,902.60
2006	750	6,277.42	390.55	155,468.73
2007	2,430	6,307.44	386.90	155,111.85
2008	4,590	6,707.00	386.90	157,555.00
2009	1,680	4,684.00	300.00	161,397.00

Proxy Form

Annual Meeting of the C.F.C. Edmonton 2009

I, _____ of _____,
a member of the **Incoming Assembly** of Governors of the Chess Federation of Canada, hereby appoint _____,
" _____
as my proxy to vote for me and on my behalf in the same manner as I could if personally present at the Annual Meeting to be held in
Edmonton on the 13th and 14th July 2009, or at any adjournment thereof.

Dated at _____ this _____ day of _____ 2009.

Witness _____ Signature of Governor _____

Instructions to Proxy

Nominate For: President _____

Vice-President _____

Treasurer _____

Secretary _____

FIDE Representative _____

Rating Auditor _____

Junior Coordinator _____

Women's Coordinator _____

Vote For: President _____

Vice-President _____

Treasurer _____

Secretary _____

FIDE Representative _____

Rating Auditor _____

Junior Coordinator _____

Women's Coordinator _____

Instructions to Proxy:

Please note any additional instructions to the proxy on the back of this page.

Responses may be mailed, faxed or E-mailed to the Chess Federation of Canada, 356 Ontario Street, Suite 373, Stratford, ON N5A 7X6, Phone: (519) 508-2362, Fax: (519) 508-6595, E-Mail: info@chess.ca
Please also send a copy of your proxy to the Secretary at lcraver@shaw.ca or faxed to (604)987-5303

Proxy Form

Annual Meeting of the C.F.C. Edmonton 2009

I, _____ of _____,
a member of the **Outgoing Assembly** of Governors of the Chess Federation of Canada, hereby appoint _____
" _____
as my proxy to vote for me and on my behalf in the same manner as I could if personally present at the Annual Meeting to be held in Edmonton on the 13th and 14th of July 2009, or at any adjournment thereof.

Dated at _____ this _____ day of _____ 2009.

Witness _____ Signature of Governor _____

Instructions to Proxy:

Motions for Final Vote:

Motion 2009-10: Rating Requirements for FIDE titles

Vote YES NO ABSTAIN

Motion 2009-11: Provincial Selection of Governors

Vote YES NO ABSTAIN

Motion 2009-12: Provincial Selection of Governors

Vote YES NO ABSTAIN

Motion 2009-13: CYCC Regulations

Vote YES NO ABSTAIN

Motion 2009-14: Restructuring of the Assembly of Governors

Vote YES NO ABSTAIN

Motion 2009-15: Revision of responsibilities of the Board of Directors

Vote YES NO ABSTAIN

Please note any additional instructions to the proxy on the back of this page.

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