

# **CHESS FEDERATION OF CANADA GOVERNORS' LETTER TWO 2009-2010**



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: [secretary@chess.ca](mailto:secretary@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](mailto:info@chess.ca) if interested.  
CFC Online Forum: <http://chesscanada.info/forum/>

**Deadline for submissions to GL#3 is Friday, November 20, 2009**

## **President's Message**

Greetings CFC governors,

### **Website**

Since the previous governor's letter, the CFC has undergone a number of challenges. In particular, since the CFC website is quite old by current standards, the website has not been able to withstand several internet attacks. EKG and its associates have fixed the site in the short term. According to the briefing I have received from EKG, the website is healthy, even so a warning may be generated by Google on your internet browser. The website is the most important infrastructure the CFC has and it is paramount to create a new website with the appropriate security features to ensure the safe use by the public at large.

One of the promises I made in my campaign as president was fairness and transparency. In order to live up to those values, the CFC will be issuing a Request for Proposal (RFP) regarding a creation of a new website. I am currently in consultation with a website professional, who is in the process of creating a Statement of Work (SOW), which will form part of the RFP. This expert will also assist in the Technical Evaluation of Bids. This procurement process will take a period of time, but considering the website's importance to CFC operations, the CFC needs to create a robust website that will look professional as well as be secure.

### **National Championships**

It is with displeasure that I report at this time that the CFC has received only one successful bid regarding a National Championship, that is, the 2010 Canadian Youth Chess Championship. While a committee in Toronto has been working a bid for the 2010 Canada Open, they have as of yet not been able to overcome the challenge of finding a suitable venue with respect to quality and affordability. The CFC may have to do without a Canada Open next year, which for me is a sad development, indeed.

While I have received promising updates from the Calgary Junior Chess Club regarding the 2010 Canadian Junior Chess Championship, again I report that no bid has been received.

### **Committees**

While the CFC has restructured financially, aspects of the organization, as well as the handbook, still need to be changed in order to reflect the reality of the CFC as it exists currently. I have struck a number of committees in order to deal with specific issues.

**Procedures Committee:** Bob Armstrong has agreed to chair this committee, which will be examining the web casting of general meetings and the subsequent elimination of proxies. In addition, this committee will deal with handbook changes.

**Youth Committee:** Michael Barron is chairing this committee whose tasks include the following: the establishment of provincial and regional youth chess championships, the designation of the WYCC coach before the next CYCC, the designation of Head of the Delegation as soon as possible after the CYCC, and other youth issues.

**Fundraising Committee:** Amanda Benggawan was a strong junior who now works at an accounting firm. She wants to give back to chess and she has agreed to chair. Gary Gladstone, a professional

fundraiser in the Toronto area has also agreed to sit. I would very much appreciate representation outside the Greater Toronto Area. As a governor, if you can sit, please arm-twist a suitable person from your area to join this committee. This committee will be requesting both individual and corporate sponsorships. A forthcoming task is fundraising for the next Olympiad, which is next year, but the CFC needs to begin shortly.

Currently, the CFC Handbook regulations provide for a **Management Committee** and an **Ethics Committee**. The **Management Committee** deals with budget and the CFC's relationships with various organizations that handle the CFC office and business functions. Both the Treasurer and the Vice-President are on this committee, but it also needs to governors to work on this committee. The **Ethics Committee** examines on a case by case basis unethical behaviour of CFC members. Currently, the CFC needs a chair and governors to sit on this committee.

### **Current Activities**

After consultations with the Executive, the CFC budget will be distributed governors via email a few days after the release of GL2.

Currently, I am in consultation with various non-governmental organizations, for example, the Cross-Country Canada regarding various policies that they have regarding corporate and membership responsibilities. I believe these consultations will bear fruit. I have also been negotiating with the FQE regarding re-affiliation. These negotiations are extremely complicated and progress is incremental. I do receive many emails and I apologize for the slow turn-around time in responding. Please be patient and I promise that a response will eventually come your way.

In closing, I encourage governors whose leadership skills I depend on to communicate with members at large in their respective areas. We are all in it together to promote chess in Canada.

Best wishes for good health and safe journeys.

Faithfully yours,

Eric Van Dusen.  
President, Chess Federation of Canada

### **Message from the Secretary:**

This Governors' Letter has been delayed first due to my trip to Asia on business for two weeks in the second half of September and latterly when it was decided to delay the Governors' Letter for a week so as to include the CFC's second quarter financial statements. As Governors will see we are making solid steps towards long-term financial sustainability. I urge all Governors to review the financials and understand their meaning. I note *en passant* that these were in the Executive's hands last weekend and compare that to the dark days of the past when these statements were only available six or more weeks following the end of the quarter. While not a guarantee of good things in the next year or two, this change from past standards is most welcome.

I want to especially thank Hal Bond for his report on the 2009 FIDE Congress. The world is a very different place from the late 1940s when the present Zonal / Interzonal system was put in place and Canada's zone status is the envy of many nations who have established themselves as "chess nations" above ourselves. Thus Hal's discussion on this subject is particularly welcome. The bottom line is that we cannot take the status quo for granted.

The motions under discussion are aimed primarily at reforming the CFC's system of governance and whether one agrees with the specifics or not, it is good to see Governors interested in streamlining the organization. But no matter how skilled we become administratively our organization is about players playing chess. Period. Strip the extraneous parts away and that's what we're about.

With that in mind I would like to encourage each of you to consider contributing to the Olympic fund. The 39<sup>th</sup> Olympiad is in Khanty-Mansiysk, Russia in November 2010 and given the location (and travel costs) is likely to require a special effort if we are to field a full team. The organizers' site is at [http://www.ugra-chess.ru/eng/main\\_e.htm](http://www.ugra-chess.ru/eng/main_e.htm)

Lyle Craver  
Secretary, Chess Federation of Canada

## **Treasurer's Report**

The half year report is very important because it shows where we have been financially and where we appear to be heading. Therefore this one is very encouraging. Revenues are slightly better than forecast and we are holding the line on expenses. While August was a down month, September and October more than made up for it. This is an indicator of a favourable year. In other years we would have a down month and subsequent months never made up for it. We still have to show restraint on spending as it is very easy to fall back. Also it is not too soon to start thinking about next year being an Olympic year. That is always a challenge financially. Currently though, all reports show that we have our finances under control and are being managed effectively. We must continue on the same track.

Maurice Smith  
Treasurer, Chess Federation of Canada

## **FIDE Representative's Report**

80<sup>th</sup> FIDE Congress Report October 11-18, 2009 Kallithea ,Greece

The 80<sup>th</sup> FIDE Congress marked the 85<sup>th</sup> anniversary of FIDE, which was founded in Paris in 1924. At the Congress Reception former Treasurer Willy Icklicki presented a delightful slide show which captured the colourful history of the organization. From its humble beginnings FIDE has blossomed into a global sports organization with 168 member federations and an annual budget of almost 2 million Euros.

Being a non Olympic year there was no meeting of the General Assembly, rather the Executive Board, which is comprised of about 25 Zonal Presidents, the 4 Continental Presidents, the reigning world champions and the President, Deputy President, several VPs and the Treasurer. This 2 day meeting was preceded by 3 days of meetings for 15 Commissions and a day for the Continental Associations. Canada has not attended such a Congress for at least 5 years.

It is our membership and Zonal status in FIDE which distinguishes the CFC from all other chess organizations in Canada. It is in our collective interest to ensure that our relationship with FIDE is as solid as possible. Attendance at the Annual FIDE Congress is essential, yet the costs have been traditionally borne by our FIDE Representative. This is an unreasonable burden and one which members would probably be willing to help alleviate if asked. I want to thank President Van Dusen for granting the establishment of the FIDE Fund, tax deductible donations to which will offset the cost of our FIDE Representative at the FIDE Congresses. I hope each of you will at least consider the FIDE Fund when making your charitable donation this year.

Before dinner on arrival day I was seconded by Arbiter's Commission Chair Takis Nikolopoulous to assist him and Werner Stubenvoll in the preparation of the Commission meeting on Monday. Among other things, the Arbiter's Commission approves Title Applications for IA's and FA's as a member of this Commission I was happy to help in the place of Dirk De Ridder who was unable to attend. At the meeting I was somewhat relieved to learn that Aris Marghetis had been approved as an FA. Congratulations Aris! Aris earned his final FA norm immediately before the rule changes on July 1<sup>st</sup>, which now requires an 80% grade on an Arbiters Seminar exam. Also of interest was the fact that the IOC provides funding to FIDE for approved projects. The Arbiters Commission has submitted application for the funding of 2 seminars in the coming year, at the Olympiad and the World Youth. IOC inroads truly continue!

A few flawed applications were perfected during the week because people were there to do it. Another application was flagged for using odd looking swiss pairings. Although it has happened often previously, Arbiters may not alter pairings in order to favour a player's norm chances.

The Qualification Commission was required to adjudicate 3 other Canadian cases, and as such was a cause for much anxiety. Yuanling Yuan's WIM application had some minor problems (mainly to do with the status of the Arbiter). I had to resubmit a WIM title claim for Dina Kagramanov because a Zonal requires at least 8 players and only 7 played. Based on her convincing result of 5.5/6, her title was approved by a vote of 6-1.

The third case was the trickiest. Raja Panjwani's IM application had to be made at zero hour because his final norm was technically short of the mark by a third of a point and his first norm in Batumi was not supported by a norm certificate. This one took some effort, and for most of the week I feared the worst, but we managed to prevail. Congratulations Yuanling, Dina and Raja!!

The next battle concerned the Canadian Zone. This issue was last put to bed in Bled, and included a provision that zonal composition should be left to the Continents, as USA Presidential Board member Bill Kelleher told me. However India is now applying for Zonal Status and this gave some parties another excuse to blame Canada. Considerable work was done prior to the Congress with our CFC President, Vice President and our past FIDE delegates. I was also in frequent contact with Continental President Jorge Vega and FIDE Treasurer Nigel Freeman.

We enjoy the full support of our Continent (perhaps more than we deserve), particularly the USCF, since they are our most likely zone partner geographically and they are as opposed as we are. We spent many hours bending ears and discussing various strategies. In the end FIDE announced that there would be no changes until after the elections next year. So the matter is not dead, and Canada does not help its cause by being absent from FIDE Congresses, bidding on no FIDE events and holding 7 player Zonals. We have to pull up our socks or we will be merged with some other countries – possibly in the Caribbean.

Nothing will happen until after next year's elections. I hope we as a Federation can embrace this challenge. Bidding on FIDE events, continued participation in such events and improvements in the quality and quantity of our presence on the FIDE rating list will all help. It is also vital that we be represented at the Congresses and participate on various FIDE Commissions. Additionally we would help ourselves by being more involved with our "Americas" Continent. Something as simple as submitting English news items for the Americas website would be welcomed warmly.

Prior to the Executive Board meeting I attended several other commission meetings which were quite interesting. The amount of work performed by these commissions is staggering and not always obvious to us in Canada.

The Arbiters Commission undertook in Dresden to begin a process of classification of Arbiters based on the years of active service and the level of events where an Arbiter has worked as Chief or Deputy Chief

Arbiter. All member Federations were asked by FIDE to provide their list of Arbiters in each of the 4 categories. Although Canada was somewhat tardy with its submission, more than half of the FIDE Federations did not reply at all. The classification list is preliminary at this point and a complete list is hoped to exist by the time of the Khanty Mansiysk Olympiad. At the meeting the activity period for IA's in the top 2 categories was reduced from 10 years to 5 years.

A list of Arbiter Seminar lecturers has been compiled and the commission will continue to accept new applications going forward. These seminars are now required as part of the FA title, which must be earned prior to the IA title. Such a seminar is in the planning documents of the 2010 Canadian Open and I hope it happens. This is another way to enhance our profile. 12 Arbiters Seminars have been held since the last Presidential Board Meeting, involving 267 Arbiters. The next horizon for the Arbiters Commission is the prospect of conducting some of these seminars remotely (e-learning as they call it) to reduce costs.

The Qualification Commission (QC) met 3 times prior to the Executive Board. In addition to the titles which our players earned, Nick Faulks reported on the statistical work done by statistician Jeff Sonas on the K factor in the FIDE rating system and alleged inflation. Although it is believed that some inflation is occurring, it is difficult to propose any recommendations at this point given the number of changes in effect, such as the new 1200 rating floor.

FIDE has terminated its contract with Global Chess, after Global chess was unable to deliver 250K Euros required for renewed involvement. We were presented with a new 20 page contract between FIDE and Chess News. I had reservations, but Morten Sands looked at it and believed FIDE's interests were sufficiently protected and FIDE stands to gain if Chess Lane can deliver worthy chess projects to FIDE.

New regulations were approved concerning Federation transfers for players, effective July 1, 2010. I was warned about this prior to leaving Canada but received more information during the Congress. The regulations call for a "notification fee" of 250 Euros payable to FIDE and much larger "transfer fees" payable by the new Federation to the old Federation. This fee ranges from 1000 Euros for WFM or rated 2100-2200, all the way to 50,000 Euros for players above 2700.

At first glance this looks like a disaster for immigrant countries such as Canada and USA, however this transfer fee is reduced to ZERO if the player resides in the new country for 2 years before applying for a Federation transfer. The regulations are targeted at Federations who wish to import a strong player quickly, to play for their Olympic team for example.

FIDE Treasurer Nigel Freeman presented the Financial Statements and the proposed budget for 2010. There is a two year cycle given the Olympiads and World Championship Matches, whose revenue in recent years comprises about one third of the annual total. In 2008 FIDE showed a profit of about 360,000 Euros. 2009 is projected to lose about 150,000 Euros with a similar projected profit in 2010.

One personal hilite concerned a proposed change to the financial regulations in FIDE events. As if the new "zero default" at the start of the game is not pushy enough, the proposal called for an additional fine of 500 Euros for the first offence, 1000 for the second offence - not necessarily at the same tournament and for the third offence, again not necessarily at the same tournament, a fine of 2000 Euros and a 1 year ban from all official FIDE events. The meeting was moving along at quite a fast pace and when the matter was opened up to the floor I had about 2 seconds to be seen with my hand raised. I spoke against it and several others jumped in to help kill it. Apparently there have been some abuses by players who are willing to forfeit their game when it suits them (last round, and/or paired down with Black) which is causing some problems. New solutions will be sought.

Congratulation to the Bulgarian Federation, which has been awarded the 2010 World Championship match between Topalov and Anand. The prize fund is 2 million Euros and is scheduled for April 2010.

Brazil has been awarded the 2011 WYCC on a preliminary basis. 2011 is the year for the WYCC to be in either the Americas or Africa. Europe will bid for 2012.

Commonwealth Championships;

Despite a membership of more than 40 nations, only 10 countries attended the last Commonwealth Championship. 2009 – December in Singapore, India and South Africa are considering 2010 and 2011.

I was able to ask Willy Icklicki about the Francophone Championships. The event was concluded in Italy a week prior to the Congress, and featured free accommodation for the players. The CFC was contacted first, and after no response the FQE responded and participated. Next year is scheduled for Tunisia.

*{Eric van Dusen: The CFC president in fact was in contact with the Francophonie Tournament Organiser and aided in the arrangements for two Canadian representatives to this tournament.}*

In the interest of expediency this concludes my report. Thank you for the opportunity to represent our Federation and FIDE Zone.

Respectfully submitted

Hal Bond IO IA

Canadian Zonal President and FIDE Delegate.

Monday, October-19-09

## **Youth Coordinator Report**

Dear chess friends,

It's my pleasure to inform you about excellent results of young Canadian players at the North America Youth Chess Championship that took place in Mazatlan, Mexico from October 1 to 5, 2009.

Congratulations to North America Champions:

Janak AWATRAMAMI - Under 10 Open,

Jiixin LIU - Under 8 Girls,

and to vice-champions:

James FU - Under 12 Open,

Yuanchen ZHANG - Under 8 Open.

Well done!

For this success Janak Awatramani will get CM title from FIDE.

Please check the excellent blog of the Head of American delegation Abed Munoz:

<http://claudiachess.blogspot.com/2009/10/canada-has-new-chess-star-his-name-is.html>

The CFC has completed registration of the Canadian delegation for the World Youth Chess Championship that will be held in Antalya, Turkey from November 11 to 23, 2009.

We have registered 21 players:

Jiixin Liu - U-8 Girls,

Melissa Giblon - U-10 Girls,

Rebecca Giblon - U-12 Girls,

Alexandra Botez - U-14 Girls,

Dalia Kagramanov - U-16 Girls,

Karen Lam - U-16 Girls,  
Jasmine Du - U-18 Girls,  
Kevin Wan - U-8 Open,  
Yuanchen Zhang - U-8 Open,  
Dezheng Kong - U-10 Open,  
William Graif - U-10 Open,  
Richard Wang - U-12 Open,  
Kai Qian (Jack) - U-12 Open,  
Thomas Kaminski - U-14 Open,  
David Zhang - U-14 Open,  
David Itkin - U-14 Open,  
Karoly Szalay - U-16 Open,  
Jesse Wang - U-16 Open,  
Eric Hansen - U-18 Open,  
Victor Kaminski - U-18 Open,  
Kevin Me - U-18 Open.

We're fortunate to have IM Artiom Samsonkin agreed to work as a Team Coach and Andrei Botez as a Head of Delegation on a volunteer basis.

Please check Canadian Team blog:

<http://2009cyct.blogspot.com/>

The success of our young players could be achieved only by combined efforts of CFC Office, CFC volunteers, parents and players themselves.

I would like to thank Artiom and Andrei, as well as CFC Executive Director Gerry Litchfield – for tremendous amount of back-end administrative work, Ellen Nadeau and Anna Jin – for arranging and delivering polo shirts for Canadian delegation.

Now we need to help our young players to prepare for this most prestigious event.

Any help would be appreciated!

Please note - donations to the CFC Youth Program are tax deductible.

Thank you,

Michael Barron

Youth Coordinator, Chess Federation of Canada

## **Executive Director's Report**

### General Admin:

About one year ago the CFC Membership cards and renewal stickers program were stopped. It seems this was never formally announced. Please inform renewing members to no longer expect these items (cards & stickers). From this office I do agree with this decision as the program dates back to a time before the internet which allows the advantage of weekly updating readily available for auto-loading into tournament software. At this time 15 years later the program had very minimal benefits considering the costs in mailing and admin time required.

### WYCC Admin:

Accommodation arrangements and payment has been sent to Turkey. Easy to say in 9 words! This is a major administrative project involving the compilation of information which can be further improved upon next year. The Executive and Mr. Barron provided extremely helpful support and understanding of



the issues which was not available to me from the Executives of 2001 – 2003.

#### SwissSys Usage:

Over the past 6 months some moderate issues with SwissSys have been resolved, most notably the formatting of submissions for round robins. Please insure you are using the most recent version 8.54. If not please download from <http://www.chess.ca/swissys.htm> and re-install. FIDE events are becoming more common and the number of players with FIDE IDs and ratings is constantly growing. As this continues to occur it is vital the CFC maintain a proper system for managing the information correctly, and that TDs all know to submit the events in a similar way. As far as I see SwissSys can do this for us. When running FIDE events please insure loading of FIDE ID and FIDE Rating into players data. The CFC office has spent considerable time updating the CFC database to include FIDE IDs for all players in possession of one. This is static data and need not ever be entered or looked up again by anyone. Dynamic data of FIDE Ratings are updated as soon as released by FIDE. All this information is included in the datafile CFCMembers.mde and can all be auto-loaded into SwissSys by the click of a mouse upon player registration.

#### Membership Stats:

Adult figures are stable compared to 6 months ago. There is some loss on junior figures. Governors need to deal with the difference between a full junior and participating junior as there seems to be no difference or reason for a varying rate between the two. As of October 31<sup>st</sup>, 2009; Adult 937 {941}, Junior 127 {177}, Part Jr. 343 {354}, Family 11 {15}, Life 369 {371}, Honorary 66 {62}, Total = 1,853 {1,920}.

#### Financials:

Please find enclosed in GL#2 the formal 6 month fiscal report for period ending October 31<sup>st</sup>, 2009. August was a temporary setback with lower revenues and higher expenses. September and October bounced back as both months added significantly more to our surplus. The Vice-President has put forth extensive efforts to help collect receivables.

Gerry Litchfield  
October 31<sup>st</sup>, 2009

### **MOTIONS FOR SECOND DISCUSSION:**

#### **Motion 2010-01** Moved David Lavin/Lyle Craver

(Note: this is motion 2009-15 which was tabled to Governors' Letter #1 at the Annual General Meeting. Maurice Smith has withdrawn his support for the motion and I have added my name as seconder since while I'm not necessarily convinced the motion should pass unamended, feel it deserves a thorough discussion by the Governors)

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 to 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

**Bob Armstrong: 1. Separate Motions:** There are numbers of changes in this motion which are not related to each other. The executive should move a motion to break this motion into separate motions for the various officers where possible. There are some good ideas here, but if all these changes are kept in this one omnibus motion, it will fail because of individuals being against certain of the changes, though they may wish to support other items of change.

**2. President:** The current motion seeks to move power from the Assembly of Governors to the President. I do not agree with this. The CFC is a democratic federation, with extensive representation from the Provinces, and power to run the corporation should continue to reside with the governors. I am against moving to a “Presidential” model.

I will move a motion to delete the full item under “President”, and substitute for it a section somewhat more like the old section, but incorporating a few ideas of this motion, as follows:

#### **“PRESIDENT**

4. The President shall be the chief executive Officer of the Federation. He shall preside at all meetings of the Assembly of Governors, or of the Board of Directors, when he is personally present. He shall exercise constant active and general supervision of the Officers of the Federation, and the conduct of its affairs, with the exception of:

(a) Those matters which are reserved to the Assembly of Governors or the Board of Directors.

(b) Those matters which have already been delegated to Committees appointed by the Assembly of Governors.

Where there is no time for a major decision to be made by the governors, the president shall preside over a meeting of the executive to make such decision. The president will then bring that decision to the governors as soon as possible for review. Where there is no time for a major decision to be made by the executive, the president shall make such decision, and bring that decision to the governors as soon as possible for review. In other matters within his authority, where an immediate decision is not required, the President will confer with other members of The Board of Directors. In any matter covered by his general authority and not coming within the duties specifically allotted to any other Officer or Officers, the decision of the President shall override that of any other Officer.

The President shall exercise constant and active supervision over the chief employee of the Chess Federation of Canada (commonly known as the Executive Director) if there is one, or over any office services under outsourcing contract.

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 to upcoming fiscal year. The President will make best efforts to ensure that the annual budget is adhered to by the Executive Director or outsourcing contractee. “

You will note that I have deleted from the old section the following sentences:

“The President shall have full power to take such action in the name of the Federation, as he may in his sole discretion decide. In matters where an immediate decision is not necessary, the president shall confer with the other Officers of the Federation, but as a matter of general policy only, and not so as to limit in any way his authority”

I have done this because I believe this sentence introduces an element of ambiguity into the issue of division of power between the President and the Assembly. It purports, in my view, to give some type of absolute power to the president, which is contrary to the fact that the governors run the corporation. There is sufficient wording in the new section I propose, to show the “ emergency “ nature of some of the president’s power.

**3. Vice-President:** This section seeks to move FIDE responsibilities to the Vice-President. I am against this. FIDE requires a separate officer’s oversight. Governor Phil Haley was FIDE rep for some years and is opposed to this motion for this reason. I agree with his experienced opinion. I will move a motion to delete the full item “ Vice-President “ from this motion and substitute the old section. I will move however, that the section 5 of the current bylaw which refers to “ First Vice-President “ be amended to read in all relevant spots, “ Vice-President “.

**4. Secretary:** I am uncertain why the old section needs amendment. This new section does not capture some of the obligations of the Secretary set out in the old section. I will move to delete from the motion the full item “ Secretary “ and substitute the old section.

**5. Treasurer:** Again I see nothing wrong with the existing section. So I will move to delete the reference to Treasurer and substitute the old section. But I will also move that there be added to section 8 on the Treasurer, the following subsection ( e ) :

“ ( e ) The Treasure will also be responsible for developing, in conjunction with the President, an annual budget at least 30 days prior to the fiscal year-end.”

**6. Tournament Coordinator:** I agree with the creation of this position. I will move an amendment for this section that it becomes section 8A and that “ Men’s “ be replaced with the word “ National “.

**7. Junior Coordinator:** The description of duties seems adequate – it includes supporting the YCC qualifier system in my interpretation. I will move that this become section 8B.

**8. External Coordinator:** I agree with the creation of this position. I think it is essential to CFC meeting its objective of “ chess promotion “. However the section needs some amending in my view. So I will move that the existing section be deleted, and a new section 8C be substituted as follows:

External Coordinator

8C. The EC will be responsible for promoting the image of the CFC and for promoting chess generally to the public. As such the EC will :

- work with chess clubs and organizers across Canada to raise the profile of the CFC and chess generally;
- work with the editor of the e-zine 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 e-zine and the CFC and chess generally.

**John Coleman:** The wording for the junior coordinator should be clarified

It is not clear if his responsibilities are for finding organisers for two events, or several. I wish to suggest the following wording:

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

**Motion 2010-02:** (Moved / Seconded Egidijus Zeromskis / Christopher Mallon)

The Constitution change:  
"JUNIOR MEMBERSHIP

9. Any person ordinarily resident in Canada who is under the age of 18, shall be granted a Junior membership or a Junior Participating Membership."

is replaced with:

"JUNIOR MEMBERSHIP

9. Any person ordinarily resident in Canada who has not reached the age of 20 by January 1st of the current year, shall be granted a Junior membership or a Junior Participating Membership."

*(The current text of this paragraph can be found at [http://www.chess.ca/section\\_2.htm](http://www.chess.ca/section_2.htm) - please note that since this motion proposes to change paragraph 9 of the CFC Handbook this is a constitutional change and thus is subject to the rules for constitutional amendments rather than simply an ordinary motion - ed.)*

**Bob Armstrong:** I support this motion. It is best to have all juniors be under 20 years of age.

**Egidijus Zeromskis:**

- a) to unify the term "Junior" in the Constitution (U18) and the Canadian Junior Chess Championship (U20).
- b) "Judgment time" - high school is over and this is when you lose most juniors who never become adult members. If you can keep them through the start of post-secondary school or their jobs, you might form a habit.

**Motion # 2010-03:** (Moved/Seconded Patrick McDonald / Paul Leblanc)

**Governors-at-Large – Past CFC Presidents:** Section 6 of By-law # 2 is amended by deleting  
“ the past Presidents of the Federation who have served as President for at least two full terms. A term is that period between one annual meeting and the next.”

and deleting

“ the past Presidents who have been granted the life title of Governor at Large as at September 1994. “

There shall be added after the words “ five years “ in the remaining section, the sentence “ A term is that period between one annual meeting and the next.”

Commentary:

The current appointment of past CFC Presidents under the CFC Handbook is under section 6 of Bylaw 2, which states:

" 6.GOVERNORS AT LARGE

The following persons shall be known as Governors at large:

the past Presidents of the Federation who have served as President for at least two full terms. A term is that period between one annual meeting and the next.

the past Presidents of the Federation who have served as President for at least one full term in the immediately preceding five years.

•  
the past Presidents who have been granted the life title of Governor at Large as at September 1994. "

The **new revised section** will now read ( as to the part referring to former Presidents ):

" **6. GOVERNORS AT LARGE**

**The following persons shall be known as Governors at large:...**

**the past Presidents of the Federation who have served as President for at least one full term in the immediately preceding five years. A term is that period between one annual meeting and the next. “.**

It is felt that it is undemocratic in this day and age for CFC to have “ Life “ governors. Even the Canadian senate now has an imposed retirement age. It unbalances the democratic principles on which the CFC is founded, to give someone a vote for life, where they are not accountable to any electorate any longer.

Thus this motion will eliminate all life governor presidents ( appointed on and before September 1994 and any past president who was elected more than five years ago and has served 2 consecutive terms )..

We do recognize the loss of experience in the Assembly our motion will cause, and the contributions life governors have made, but we have kept on the past presidents from the last 5 years. These are the presidents that have the most claim on some type of “ recently elected “ factor. And they are the most current past presidents, and so have been dealing with the newest issues facing the organization. As well, earlier past presidents can always run again for provincial governor if they want to stay active. Also, they can easily let it be known that they are more than ready to give advice when asked, or to serve as member volunteers on committees, etc. Finally, we are proposing that those governors removed by this motion, be reappointed as non-voting Governors at large for 10 years ( see our motion # 3 ).

Currently there are 10 ( one apparently has asked to be removed but that hasn't been done yet ) past president governors who are life governors under this section. The Life governors who would be eliminated are: Les Bunning, Francisco Cabanas, Nathan Divinsky, Yves Farges, Terry Fleming Phil Haley, Halldor Palsson, Maurice Smith ( he would still be a governor at large though as current Treasurer ), Peter Stockhausen and Bruce D. Thomas.. The potential number of such governors-at-large could be reduced to the most recent 5 presidents ( and Life Governors eliminated ), by deleting the 2 of three categories identified in the motion:

“ the past Presidents of the Federation who have served as President for at least two full terms “

and

“the past Presidents who have been granted the life title of Governor at Large as at September 1994. “

We feel that this will enhance the democratic nature of the CFC.

Notes: (see Appendix 2)

**Bob Armstrong:** I support this motion – I drafted it and the commentary

**Les Bunning:** Motion 2010/03 essentially calls for the removal of the life governorships from CFC presidents who have served as presidents for 2 terms. This motion has been debated several times in recent years and has always been defeated because when the record has been examined it turns out that these governors have, for the majority of them, been more active than most governors. It is true that some of these ex presidents are not active. Terry Fleming and Bruce Thomas are examples that come to mind. 2 life governors attended the recent annual meeting and 2 others were present by proxy. This is a higher percentage than for other governors. Last year in Montreal there were 2 or 3 life governors present out of perhaps 18 governors attending. The Annual meeting in Ottawa in 2007 had 5 or 6 life governors attending. It is not just the annual meeting, Life governors are usually the main stay on special committees when these are needed. 2 years ago the restructuring committee had 2 life governors- myself and Peter Stockhausen, Peter took over as CFC treasurer mid term when Gillanders became Executive director. I except the fact that new ideas are needed and my practice is not too vote on some policy issues for that reason. Nevertheless I am an active governor who served as CFC president for 4 terms, served on the CFC executive for perhaps 15 of the last 25 years and have acted as the CFC's lawyer at no cost to the federation for many years. I have no objection to there being a requirement that Life governors who are inactive( i.e. do not vote) for a period of 2 years lose their Life Governorships and seek a seconder for this as an amendment to motion 2010/3.

*(I would second this for the purposes of discussion – ed.)*

Les Bunning: Here is the text of my Amendment: Moved Bunning/Craver Section 6 of bylaw #2 is amended by replacing the current wording which reads " The past presidents of the federation who have served as President for at least two full terms . A term is that period between one annual meeting and the next". with the following wording. "the past presidents who have served as President for at least 2 full terms and continue to demonstrate that they are active governors by voting on not less than 2 governors motions in any consecutive 2 term period. A term is that period between one annual meeting and the next."

Commentary . I believe that this would immediately remove Bruce Thomas, Terry Fleming, and Yves Farges as governors as they are not active and it may eliminate Francisco Cabanas. This would reduce the number of life governors from 10 to 6 or 7. Those life governors remaining are active governors who have considerable knowledge of how the CFC works and are at least as active as many of the elected governors. It is necessary to specify a 2 term period because there have been some years when there have been very few governors letters.

**John Coleman:** I agree with this motion. While I regret the loss of experience that some of those names represent, if a former president is still active in chess and wants to be involved, he can become a governor in the usual way.

**Yves Farges:** As one of the Past presidents affected by this motion, I feel that Governors should hear input. My involvement with organized Chess has been very long, but it is true that I am no longer very involved, due to a number of reasons.

People "do" move on and have other interests, family demands, or work-related reasons.

In my case my work is something I have poured myself into and to say that I am something of a workaholic would not be too far from the truth. That said, I enjoy my work a lot.

My voting record is sparse, to say the least, because as part of my work I travel extensively, as in over 100 days of the year.

I have to applaud the motions which address the wish to recognize the astonishing volunteer work of noteworthy Past Presidents by just addressing the voting rights: very tactful and appreciated.

That said, streamlining the Governors should not take precedence over working diligently on the finances of the C.F.C., which are very poor, and look to get worse unless some hard-headed business sense is applied to the problems.

I will be voting in favour of this motion in order to do my part in helping the new C.F.C. get active.

**Motion 2010-04:** (Moved/Seconded Bob Armstrong / Paul Leblanc)

There shall be added to Bylaw 2, if Motion # 2 ( already filed on behalf of the Coalition ) is passed, the following new Section 6A:

**“ 6A. NON-VOTING GOVERNORS AT LARGE**

The following shall be known as non-voting Governors at large:

the past Presidents of the Federation who have served as President for at least two full terms prior to July 1, 2009. A term is that period between one annual meeting and the next.

And

the past Presidents who have been granted the life title of Governor at Large as at September 1994.

They shall have all governor rights, except the right to vote. They shall cease being governors on July 1, 2019. “

Commentary: Currently the section dealing with past president governors at large is section 6 of Bylaw 2, which states in the relevant part:

**" 6.GOVERNORS AT LARGE**

The following persons shall be known as Governors at large: the past Presidents of the Federation who have served as President for at least two full terms. A term is that period between one annual meeting and the next. the past Presidents of the Federation who have served as President for at least one full term in the immediately preceding five years.

the past Presidents who have been granted the life title of Governor at Large as at September 1994. "

This Motion will eliminate all the existing life governors at large.. This is necessary because the concept is anti-democratic.

But it is not wanted to lose the experience of the five past president governors who would be eliminated.



As well, we wish to recognize their contribution to the CFC over the years. Further, a commitment had been made to these governors of lifetime governorships, and it is felt CFC should go some way towards honouring that commitment to some extent.

Hence we are creating a time-limited special category of governor, the non-voting governor at large. Thus the existing governors affected by motion # 2 will be retained in all respects by Motion # 3, except for their right to vote. It will allow these few past presidents to continue to be involved – they can attend the AGM and be recognized; they will continue as part of the Governors' Discussion Board; they can be put on Committees; they can volunteer; they will still carry the title of Governor. Of course, it is always open to them to run again as a provincial representation governor candidate. This seems a suitable compromise and is an attempt at a kind of “ grandparenting “ under the change imposed by Motion # 2. The Life Governors who will be moved to this new category are: Les Bunning, Francisco Cabanas, Nathan Divinsky, Yves Farges, Terry Fleming Phil Haley, Halldor Palsson, Maurice Smith ( he would still be a normal governor at large though as current Treasurer ), Peter Stockhausen and Bruce D. Thomas

**Yves Farges:** This motion flows from # 2010 – 03 and further defines “Governors-at-Large”. Although there is a strong hint of “putting old presidents out to pasture” in this motion, I feel that it is an honest attempt to keep voting rights dynamic.

In my case I cannot remember the last time I actually played Chess, since I have been active as a poker player, and in fact will be playing in the World Poker Tour event in Cyprus September 6<sup>th</sup>.

Over the past ten years I have been asked a number of times for specific input on chess problems, but not being active in chess organizing at all makes it difficult to justify having a perpetual vote as a voting Governor of the C.F.C.

Again I would like to thank the crafters of these motions for the obvious tact to solve a voting problem by ruffling the minimum number of feathers.

## **MOTIONS FOR FIRST DISCUSSION:**

### **Motion 2010-05 – Governor Activity Rule**

Moved: Bob Armstrong; Seconded: Jason Lohner

( submitted on behalf of the CFC Constitutional Coalition, a grassroots' group of about 40 ordinary CFC members and a few governors, named below in the Notes )

*(I've removed the list as it's the same list presented in GL#1 – ed.)*

There shall be added to CFC By-law # 2, a new section 23 as follows:

#### **“ 23. Governor Inactivity Rule**

Any governor, no matter whether provincial representative governor, or governor at large, including the Executive, appointees, etc., who does not vote, move/second a motion, or make a comment ( on a motion or generally ), in two consecutive Governors' Letters, shall be removed from office, and their position shall no longer be part of a quorum until their replacement, if any. Should it happen that in a GL there are no motions for either discussion or vote, then that GL shall not be counted for the purposes of this section. Once removed, the Governor and his provincial body/appointing body shall be notified. A request that a

by-election be held to fill the vacancy shall also be made to the provincial/territorial organization or that the appointing body appoint a replacement, for the balance of the removed governor's term. "

Commentary:

In the 2008-9 year, except for the first four motions of the year ( critical CFC restructuring motions in September 2008 ), all motions subsequently have received less than 50 % vote ( some much less ), including the motions at the outgoing governors July 2009 AGM ( including proxies ). Many governors seldom make any comments on motions for discussion, or generally. This participation rate by governors is abysmal. If governors do not want to be involved in governing the CFC, then they should not have stood for office, whether provincial representative, or governor at large representative. It makes the membership skeptical about the governance of the CFC by such neglect of participation. It demoralizes those who are active governors, because they are expecting other governors to share the load, and find there are not other hands to pitch in. Lastly if a constitutional amendment to the CFC Handbook is brought outside of an AGM, the motion not only requires a 2/3 majority, but also a quorum of 50% of the eligible votes. With governors voting less than 50%, constitutional motions cannot be passed outside of the AGM – this is intolerable for an organization that is trying to keep itself legally up-to-date.

Some have suggested that the period of grace should be longer – no communication/vote for 3 consecutive GL's. Others want the governors to vote on at least one motion every GL, or at least make a comment. We have picked the middle ground of 2 GL's – no appearance for 2 GL's, and the governor is removed.

Also, there is an issue of whether the Provincial Association/ appointing body should be able to replace a removed governor. We felt that allowing replacement let the provincial affiliate/appointing body off the hook. They elect/appoint the governors, and we felt they should be taking care that they are good active governors. If they can always replace deadwood governors with other deadwood governors, and never exercise responsible oversight on their governors, what incentive is there for them to ever take the CFC governance seriously? However, if it means they lose a vote for a full balance of the offending governors' term, maybe next time they will be more careful about whom they elect.

However, it seemed many opposed our view on replacement. As well there was motion 2002-02 in 2001-2 GL 5 that said re governors who were not CFC members, or who had let their membership lapse:

Any provincially elected Governor found not to be a CFC member in good standing shall have his/her voting privileges suspended. Once suspended, the Governor and his provincial body shall be notified and requested to bring his/her membership into good standing not later than 30 days from his/her election or expiration of membership. In the event that the Governor's membership still not be in good standing 30 days after suspension, the president of the provincial/territorial organization and the Governor shall be notified that the Governor's seat is declared vacant. **A request that a by-election be held to fill the vacancy shall also be made to the provincial/territorial organization [ bolding added ].** "

This appears to be a strong CFC precedent for allowing replacement of “ suspended “ governors. So we have abandoned our desired position, and adopted the procedure of this CFC precedent ( we are indebted to Governor Egis Zeromskis for drawing our attention to this motion ).

We tried to reduce the number of provincial representation governors ( Motion 2009-14 ) at the July AGM, and it failed to get the 2/3 majority required for a constitutional amendment. One comment from many governors was that an activity requirement rule should precede any action to reduce the number of governors. So we have listened to this criticism and are now bringing this activity motion, as seemed to be desired by many governors.

The CFC needs the help of all governors, and the contribution of all their opinions, to help the CFC run at its best. The first duty of governors is to govern; secondarily, it is expected that the governors will also promote chess in various ways. Governors need to debate with each other in the GL ( and on the Governors' Discussion Board and the CFC members CFC Chess Forum ) in order to get sound governance decisions. That is why we have such an extensive number of governors. If they do not participate, one wonders why we have them at all. They are just deadwood, names on a website. And they fail to represent the provinces/chess bodies who sent them.

We feel this activity criterion will significantly improve the voting record of governors, and the quality of CFC governance decisions.

Notes:

1. **NOTES:**

1. “ **Constitutional Amendments** “: These amendments are considered “ constitutional amendments “ 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.

**2. Current CFC Governor Structure:**

**The current number of Governors-at-Large are:**

A - Executive – 7  
 B – Non-Executive Officers - Masters' Representative and Women's Coordinator – 2  
 C - Representative of Chess Foundation of Canada, and, Canadian Correspondence Chess Association – 2  
 D - Canadian Champion and Runner-Up – 2  
 E – Former CFC Presidents ( some Life Governors ) – 10 ( as now shown on the CFC website ); almost equal the votes of the other Governors-at-Large )  
 Total – 23

**The current number of Provincial Representative Governors ( using 2008-9 ) are:**

A - B.C. - 5  
 B - Alta. - 5  
 C - Sask. - 1  
 D - Man. - 2  
 E - Ont. - 17  
 F - Que. - 2  
 G - N.B. - 2  
 H - P.E.I. - 1  
 I - N.S. - 2  
 J - Nfld. & Lab. – 1  
 K - no reps from the 3 territories ( 3 vacancies )

Total - 38 ( and three vacancies )

Overall Total – 61 ( and three vacancies )

**Motion 2010-06: CFC Fees**

Moved: Bob Armstrong; Seconded: Gary Gladstone

**First-Time CFC Member Introductory Discount –**

Section 375 ( Tournament Playing Fee ) of Section 3 ( Motions Applicable to No Other Section ) of the CFC Handbook is deleted. Substituted for it is:

“ 375. An annual membership discount of 40% will be given for first time CFC members ( CFC will publish a rounded off figure for the convenience of organizers ). “

Commentary: The current CFC Handbook section 375 states that there is a tournament playing fee ( TPF ) ( adult - \$20; Junior - \$ 10 ), that can be used in registering for CFC-rated tournaments, as an alternative to membership.

We propose to eliminate this alternative to membership, and substitute for it a first-time CFC member discount, that will both encourage new players to enter tournaments, and at the same time, make them CFC members.

Chess players must support their national organization by membership and annual membership fee, if they want it to exist. CFC must have sustainable revenue. There is no reason for two classes of players, each paying different amounts to support the CFC ( annual member pays \$ 36; tournament fee player pays: adult - \$ 20; junior - \$ 10 ). When tournament memberships were introduced, they were meant as a one-time only thing to encourage first timers to play tournament chess – they were not meant

to become a continuous use alternative to membership. It is sometimes now being used by players twice per year, instead of taking out a membership – an adult can play twice and pay \$ 40 TPF, whereas the membership in Ontario would be \$ 43. But from another point of view, one could say our discount approach is better financially for the TPF player than the current TPF:

1. For the TPF player who plays only 1 tournament per year: An adult now pays \$ 20. Under our proposal, it is true he has to pay a bit more – approx. \$ 26. But with our method, he becomes a member – he will get the Chess Canada Electronic Newsletter ! And he gets the right to play in an “ unlimited “ number of tournaments at no extra cost. In the second year, however, he will have to become a full member ( \$ 43 ).
2. For the TRF player who plays 2 tournaments per year: he pays \$ 40. Under our proposal, he will pay just \$ 26, and get the right to play in “ unlimited “ number of tournaments. In the second year, however, he will have to become a full member ( Ont. - \$ 43 ).

The figures set out below ( modified ) are from the 1st half 2008-9 financial statements in the 2008/9 GL 3:

<b>Analysis</b>	<b>of</b>	<b>Membership</b>			<b>fees</b>	
		<u>1st</u>	<u>half</u>	<u>2009</u>	<u>Year</u>	<u>2008</u>
Annual membership fees collected					\$ 21,060	\$ 44,942
Tournament Playing ( = " tournament membership " ) fees collected				\$ <u>1,320</u>	\$ <u>2,987</u>	
<b>TOTAL</b>					\$ 22,380	\$ 47,929

It shows that in 2007-8, the tournament memberships formed 6.2% of the total collected. In the 1st half 2008-9, they formed 5.9% of the total. Since then the TPF has been doubled. But the issue remains virtually the same. These figures show that the elimination of tournament memberships affects a very small portion of CFC's income. Some organizers have argued that over 2/3 of TPF players will quit tournament chess forever if we substitute our first-time discount for the TPF. We do not believe this. However, we do not want to lose the tournament membership players. This is the reason for the discount. But there is an issue of fairness between TPF players and annual membership players. All play in the tournament, and all should equally support the national organization. This is why the Grassroots' Campaign is supporting a substitution for the tournament playing fee.

The above numbers show that the chess world will not cave in if tournament membership fees are eliminated. It will be too bad to lose any players, but the financial effect on the CFC will be minimal. And in future, all will be members of the CFC!

Organizers have advised that the full annual CFC membership is a hindrance to getting first time tournament players to sign up for tournaments ( this will be especially so when tournament memberships have been eliminated ); so the 40% reduction for first-time CFC'ers attempts to ameliorate this difficulty. Even with the discount, the CFC will be collecting more than it did on tournament membership. Also, this replaces the tournament membership, which originally when introduced was meant to be a one-time only option.

Community input has asked for numbers of special case exemptions/partial exemptions for annual memberships ( e.g. Quebec ). This motion makes clear that tournament memberships must go, but this issue can be fine-tuned at the time of implementation if special cases re annual memberships seem warranted, in addition to the first-time discount..

**Notes :**

1. a motion, brought by Governors Barry Thorvardson and Gary Gladstone, was passed by the Governors as a straw vote at the Incoming Governors' AGM in July, 2008, eliminating the tournament membership.

2. a motion, brought by Governors Barry Thorvardson and Gary Gladstone, was passed by the Governors as a straw vote at the Incoming Governors' AGM in July, 2008, that a discount such as we are proposing, be instituted.

3. Past CFC President David Lavin stated:

a) in 2008/9 GL # 2: " On September 15th I forward a copy of the my Business Plan to all the Governor's and started a number of threads on the CFC's [ Governors' ] Discussion Board. I included a page of questions and observations which I considered to be somewhat controversial. I also included hard numbers related to rating fees and membership fees, including projections based on different fees, and a **recommendation to eliminate** junior, family, and **tournament memberships**."

b) in 2008/9 GL # 4: "There has also been a lot of debate on the Discussion Boards about the Tournament memberships. Personally, I'd be happy to eliminate them altogether but I doubt that motion would pass. "

4. CFC Secretary Lyle Craver stated in the same GL: " Certainly I am of the opinion that "tournament memberships" have **devastated the CFC** as rather than bringing in new people in droves, regular members have chosen this option and have chosen to play in fewer but larger events. This at least has been the experience in Vancouver – Governors will have to decide whether it matches their experience in their areas. "

You either belong to the national sporting federation or you don't. "

**Motion 2010-07:** (Moved/Seconded Michael Barron / John Coleman) To amend the CYCC rules to include the following:

"Canadian Youth Chess Championship is a qualifier to international youth chess competitions.

Top 3 finishers in each section are qualified for:

- 1) World Youth Chess Championship;
- 2) Pan American Youth Chess Championship;
- 3) North America Youth Chess Championship.

**Michael Barron:** Every qualified player can be official Canadian representative at one of these events, others could be additional players.

Usually the Champion represents Canada at WYCC, 2nd place finisher - at Pan American, and 3rd place finisher - at NAYCC.

But the Champion could choose any one of these tournaments, and 2nd place finisher - one of remaining 2."

**General Comments from Governors:** none received

**THE CHESS FEDERATION OF CANADA**  
**LA FÉDÉRATION CANADIENNE DES ÉCHECS**

**BALANCE SHEET**  
**AS AT OCTOBER 31, 2009**  
**UNAUDITED**

	Oct 31st 2009	April 30th 2009
<b>CURRENT ASSETS</b>		
Cash	\$ 31,198	\$ 70,404
Accounts receivable	1,927	2,321
In Trust with Foundation	65,809	-
Prepaid expenses	3,833	7,167
	102,767	79,892
<b>CAPITAL ASSETS (note 2)</b>	4,492	5,664
	<b>\$ 107,259</b>	<b>\$ 85,556</b>
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 13,132	\$ 16,674
Chess Foundation - Deffered contribution	1,812	540
Deferred membership revenue	21,400	21,400
	36,344	38,614
<b>DEFERRED CONTRIBUTIONS</b>	23,855	8,300
<b>EQUITY</b>		
Opening balance	38,642	23,922
Net revenue (expenditure) for the year	8,418	14,720
	47,060	38,642
	<b>\$ 107,259</b>	<b>\$ 85,556</b>

**THE CHESS FEDERATION OF CANADA**  
**LA FÉDÉRATION CANADIENNE DES ÉCHECS**

**STATEMENT OF REVENUE AND EXPENDITURE**  
**FOR 6 MONTHS ENDED OCTOBER 31, 2009**  
**UNAUDITED**

	6 months 2010	12 months 2009
<b>REVENUE</b>		
Sales of books, equipment and software	\$ 9,041	\$ 66,054
Shipping and handling charges	-	2,535
Memberships	22,578	48,035
Contribution from Foundation	1,812	5,682
Rating fees	15,117	25,352
Donations	2,339	6,130
Other programs	47,221	75,964
Other revenue	63	19
	<b>98,171</b>	<b>229,771</b>
<b>EXPENDITURE</b>		
Cost of sales	7,057	52,373
General and administrative		
Salaries, benefits and staff travel	1,801	76,703
Administration services	20,105	-
Building and equipment expenses	-	11,435
Office	4,825	25,297
	<b>26,731</b>	<b>113,435</b>
Programs		
Publications/Webzine/Newsletter	1,000	3,486
International	5,602	6,519
Contributions to clubs and affiliates	2,142	4,306
Contributions to Chess Foundation	-	1,440
Other programs	47,221	75,964
	<b>55,965</b>	<b>91,715</b>
	<b>89,753</b>	<b>257,523</b>
Revenue (expenditure) from normal operations	<b>8,418</b>	<b>(27,752)</b>
Other revenue and expense		
Gain on sale of condo building	-	52,156
Loss on restructuring & transition	-	(9,684)
<b>NET REVENUE (EXPENDITURE) FOR THE YEAR</b>	<b>\$ 8,418</b>	<b>\$ 14,720</b>



**THE CHESS FEDERATION OF CANADA**  
**LA FÉDÉRATION CANADIENNE DES ÉCHECS**

NOTES TO FINANCIAL STATEMENTS  
OCTOBER 31, 2009  
UNAUDITED

**DEFERRED CONTRIBUTIONS**

	Olympic Donations	Youth Programs	Kalev Pugi Program	TOTAL
Balance - begin of year	\$ 1,945	\$ 4,772	\$ 1,583	\$ 8,300
Add: contributions	-	62,016	760	62,776
Less: recognized as revenue	-	(46,721)	(500)	(47,221)
Balance - end of year	\$ 1,945	\$ 20,067	\$ 1,843	\$ 23,855

**ANALYSIS OF MEMBERSHIP REVENUE**

	6 months 2010	12 months 2009
Annual memberships	\$ 20,500	\$ 40,761
Tournament memberships	2,078	3,734
Adjustment to deferred revenue	0	2,100
Life memberships	0	1,440
Membership revenue reported	<u>22,578</u>	<u>48,035</u>
Less: Foundation donation	0	1,440
Net membership revenue	<u>\$ 22,578</u>	<u>\$ 46,595</u>

**Motions for Final Vote:** none

**Motions for Second Discussion:** none

**2010-01:** Roles of Executive

**2010-02:** Junior Membership

**2010-03:** Governors at Large 1 (aka “Life Governors”)

**2010-04:** Governors at Large 2

**Motions for First Discussion:** (note – these motions are for discussion and should not be voted on at this time)

**2010-05:** Governor Inactivity Rule

**Deadline for submissions to GL#3 is Friday, November 20, 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: [secretary@chess.ca](mailto:secretary@chess.ca)**