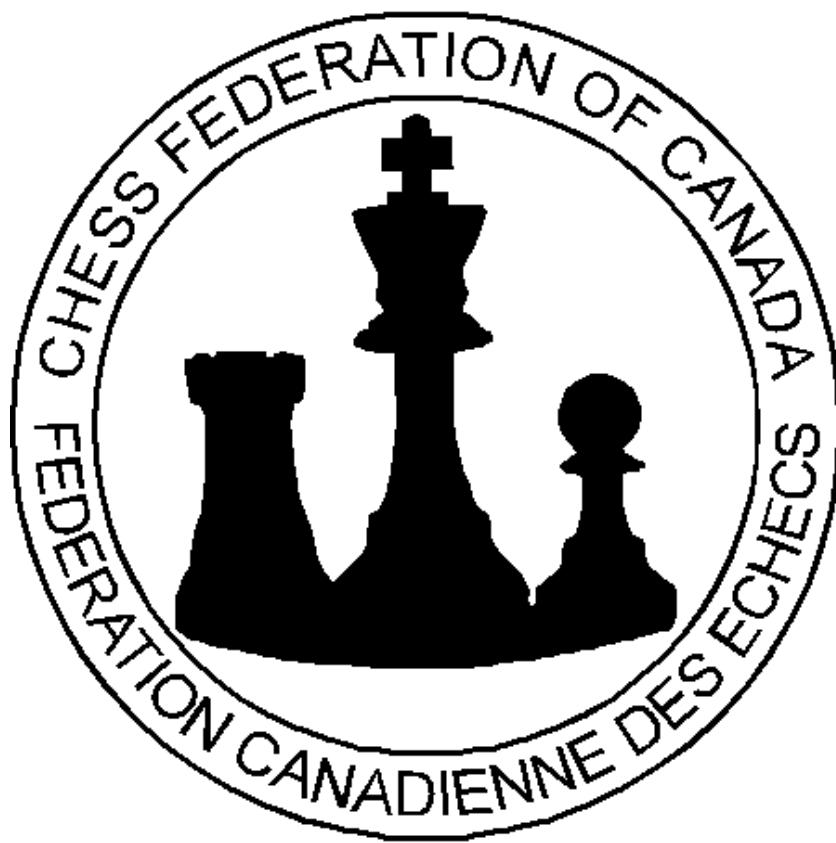


CHESS FEDERATION OF CANADA

GOVERNORS' LETTER TWO

1998-1999



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

ATTENTION ALL GOVERNORS: Anyone with an E-Mail address can have their
Governors' Letter sent to them via E-Mail and save the CFC paper and postage costs.
Please E-Mail info@chess.ca if interested.
Deadline for next Governors' Letter is December 20, 1998

Keeping Governors Informed

The revised rules for the Canadian Zonal and Youth tournaments appear in this G.L. Bids for the 1999 events will be accepted at the Business Office up until December 15, 1998. Please note that the C.F.C. already has bids pending for these events.

MOTION: To accept the revised rules for the Canadian Zonal and Youth Championships as presented by Les Bunning the week of October 26th. Passed unanimously.

Note: While Mr. Bunning did a lot of work and most of the work on this, the Executive and the Junior Coordinator were all heavily involved with many suggestions being introduced and sometimes being worked in. The end results are the final versions which are in line with the respective decisions in the minutes of the AGM which approved the basic principles empowering the Executive to fill in the details.

PRESIDENTIAL DECISION

The President approved the appointment of Justin Gulati as Governor for the Province of P.E.I., replacing Mike England who has retired.

First Half Financial Report

INCOME COMPARISON FOR 1998/05 to 1998/10 vs 1997/05 to 1997/10

	Current	Past	+/-
Book Sales	37,978.41	42,853.49	-4,875.08
Equipment Sales	38,029.81	62,749.35	-24,719.54
Computer & Software Sales	4,810.31	3,462.00	1,348.31
Membership Fees	41,832.60	42,335.58	-502.98
Rating Fees	11,031.00	11,042.28	-11.28
Interest From Foundation	4,034.46	3,570.96	463.50
Other Interest	218.45	0.00	218.45
Rental Income	350.00	2,100.00	-1,750.00
Shipping & Handling	3,150.72	2,438.96	711.76
Other Revenue	1,031.29	1,300.30	-269.01
 Income Total	 142,467.05	 171,852.92	 -29,385.87
Book Purchases	23,867.21	26,320.90	-2,453.69
Yanofsky Book Productio	0.00	18.95	-18.95
Courier - Books and Equipment	3,013.89	5,204.12	-2,190.23
Other Selling Costs	2,031.39	5,345.12	-3,313.73
Equipment Purchases	21,144.41	34,327.40	-13,182.99
Computer & Software Pur	3,383.77	1,972.61	1,411.16
 Cost of Sales Total	 53,440.67	 73,189.10	 -19,748.43
Gross Profit	89,026.38	98,663.82	-9,637.44
Wages	29,506.12	34,080.00	-4,573.88
Payroll Expense - CPP	820.34	877.66	-57.32
Payroll Expense - UI	1,085.97	1,382.21	-296.24
WCB Expense	456.81	0.00	456.81
Office Supplies	2,748.87	5,505.69	-2,756.82
Postage - Admin.	2,500.00	3,745.39	-1,245.39

Telecomm	1,704.36	2,365.19	-660.83
Advertising & Promotion	680.17	412.43	267.74
Professional Fees	2,500.00	1,600.00	900.00
Staff Training	0.00	1,145.97	-1,145.97
Utilities	807.32	878.10	-70.78
Credit Card Costs	1,711.28	1,539.52	171.76
Bank Charges	797.22	943.32	-146.10
Municipal Taxes	2,256.78	1,776.73	480.05
Maintenance - Bldg & Equipment	894.56	1,512.18	-617.62
Depreciation - Bldg	2,212.14	2,304.30	-92.16
Depreciation - Eqpmt	337.02	421.26	-84.24
Depreciation - Computers	1,179.90	1,761.00	-581.10
Annual Meeting Expense	126.00	1,458.43	-1,332.43
Other Executive Expense	0.00	250.00	-250.00
Governor's Letter	0.00	62.40	-62.40
Gain/Loss On Exchange	460.98	9.07	451.91
 Operating Costs	 52,785.84	 64,030.85	 -11,245.01
Other General Admin	222.00	658.28	-436.28
International Entry Fee	-1,245.07	1,255.52	-2,500.59
Other Int'l Expenses	3,157.29	7,335.33	-4,178.04
1998 Olympiad - Elista	4,050.58	0.00	4,050.58
LTIP Assistance	0.00	225.00	-225.00
Canadian Tournament Expenses	300.00	1,650.00	-1,350.00
School Chess Program	434.75	9,498.01	-9,063.26
En Passant	19,975.35	20,738.64	-763.29
En Passant News Stand Sales	-2,236.50	-2,101.21	-135.29
Contracting of En Passant	2,000.00	0.00	2,000.00
Advertising - En Passant	-2,662.67	-3,131.17	468.50
 Operating Costs	 23,995.73	 36,128.40	 -12,132.67
Total Costs	76,781.57	100,159.25	-23,377.68
Net	12,244.81	-1,495.43	13,740.24

Summary:

The first half results for this fiscal year are in and the results are mixed. Overall the CFC is \$13,740.24 ahead of last years pace on the bottom line. While profitability is always good, not all is rosy. Most significant is the decrease of over \$24,000 in equipment sales. Of this loss, \$17,500 is directly attributable to Chess'n Math undercutting us on our main wholesale account. This should remove all doubt that the Chess'n Math organization is out for an amicable relationship.

For the most part member and school sales have remained on track. Even without selling at the Toronto International Open and having Canadian Open sales less than the previous year, overall sales still haven't lost very much ground. On the other hand, expenses have dropped dramatically. The business office has tried to cut every expense no matter how small, without decreasing the level of service we provide. The results are very encouraging, with a decrease in Operating Costs of over \$11,000.

With the holiday season being the main income earner for the CFC, we will have to see if we can continue our positive trend. After last years loss the CFC's financials are very fragile, so I suggest that everyone views these increases in profitability with quiet optimism rather than total relief.

Troy Vail, Executive Director

Canadian Open 1998 Financial Report

It would have helped our planning to have had readily available information about the financial and organizational experience of previous Canadian Opens. We also undertook to provide a Financial Statement following the event. Accordingly the following is a summary of financial matters associated with this year's Open, together with some brief explanatory notes.

1998 CANADIAN OPEN

July 11 through 19, 1998 - Ottawa

Statement of Revenues and Expenses

1. Registrations	\$20,530
2. Sponsors	<u>\$1,000</u>
	<u>\$21,530</u>
3. Prizes	(\$18,000)
4. Site	(\$2,076)
5. Appearance Fees	(\$975)
6. Ratings & Fees	(\$538)
7. Boards & Scorebooks	(\$531)
8. Advertising, Postage etc.	<u>(\$347)</u>
	<u>(\$22,467)</u>
	<u>(\$937)</u>
9. Lecture Admissions	\$373
9. Lecture Fees	<u>(\$250)</u>
	<u>\$123</u>
10. Sales	\$2,957
10. Food & Beverages	(\$699)
10. Shirts	<u>(\$620)</u>
	<u>\$1,638</u>
11. Other	<u>(\$190)</u>
12. Net Proceeds to Chess Foundation	<u>\$634</u>

NOTES

1. Registrations (net of 8 refunds)

Free	7
Paid @ \$85	58
Paid @ \$95	99
Paid @ \$105	59
TOTAL	<u>223</u> including 3 GM's and 8 IM's

2. Sponsors

CFC	\$500
OCA	\$250
EOCA	\$250

\$1,000

3. Prizes

The prize fund, which was initially advertised as \$15,000 based on 210 entries, was increased to \$18,000 during the event.

4. Site

Obtaining an affordable downtown site which met our requirements (size, rooms for analysis, adequate lighting, etc.) proved to be a significant challenge. In the end, we were fortunate to be able to rent the Grand Hall of Christ Church Cathedral, in downtown Ottawa. It is a fairly new building attached to the main cathedral with a sweeping view of the Gatineau Hills and we received a favourable price due in part to the status of the CFC as a Registered Charity. Note that a number of locations had already been booked by the time we were finally awarded the tournament at the end of August 1997. A surprising number of locations we inspected in the following months did not have suitable space for a chess tournament of this size and many were simply too expensive.

5. Appearance Fees

Although the proximity of other significant events likely reduced our attendance somewhat, it also helped us attract strong players, some of whom played in the World Open just before our event, and in the Quebec Open and at North Bay just after. We were prepared to be more generous with appearance fees when the names could be used in our advertising to attract others. Strong players asking for appearance fees shortly before the event began were less helpful to us, so we curtailed the offers. The primary request from strong players was for accommodation for the duration of the tournament, and we were able to find billets for a number of them. Although this entailed some effort, it was not an out of pocket cost. Some players ended up staying with the Organizers.

6. Ratings & Fees

The event was CFC and FIDE rated.

7. Boards & Scorebooks

Printed scorebooks not only ensured that all players had copies of the schedule, rules etc. but also eliminated the requirement to supply scoresheets for each round. Separate scoresheets are costly and players often take extra ones. We included one extra scoresheet in each scorebook to help those who failed to bring theirs in later rounds and also had extras available for sale.

8. Advertising, Postage etc.

We advertised at various chess clubs and tournaments as well as in En Passant, Echecs Plus and US Chess Life. The CFC provided the EP ads as part of our bid, and the Chess Life ad was free pursuant to an agreement between the Canadian and US Federations. Two weeks before the event we mailed personalized flyers to about 150 area players who had been inactive recently.

9. Lectures

Kevin Spraggett and Deen Hergott each gave a lecture during the day. The topics were selected to be of interest to players rated between 1600 and 2000. In a similar vein, we ran a Speed Chess Tournament, which could have been set up as a cash generator. 68 players took part and \$740 was collected as registration fees and paid out as prizes.

10. Sales

Our location was slightly away from anyplace where coffee, snacks or cold beverages could easily be

obtained, and this business was very profitable. We obtained good quality t-shirts with a well crafted design and logo. The initial batch of 48 sold out quickly and we were fortunately able to obtain and sell 24 more, with a few people at the end wishing that they had bought sooner.

11. Other

Everyone involved worked as a volunteer. Accordingly some expenses were reimbursed and a dinner was held for all volunteers following the tournament.

12. Net Proceeds to Chess Foundation

It was not our intention to make a profit, however we did make additional sales after finalizing the prize fund. As well, we had provided for late costs, which, by and large, did not materialize. The surplus was sent as a donation to the Chess Foundation.

Organizing Committee (Stephen Ball, Doug Burgess, Terry Fleming)

Rules of procedure for **The Canadian Zonal Championship Tournament**

801. Frequency of Canadian Zonal Tournament:

A Championship Tournament known as the "Canadian Zonal Championship Tournament" but hereinafter referred to as the "Zonal Tournament" shall normally be held in Canada to coincide with the FIDE World Championship cycle.

802. Format:

The tournament shall be a nine round tournament held over not less than seven days with pairings to be determined in accordance with the swiss system of pairing.

803. Players:

The following players shall be eligible to participate in the Zonal Tournament provided they comply with the formal entry requirements of Article 807:

- (a) The Canadian Champion.
- (b) The runner-up to the Canadian Champion.
- (c) The current Canadian junior champion.
- (d) The Provincial Champion ordinarily resident in each Province.
- (e) The highest rated player resident in the Territories (The Yukon, N.W.T., and Nunuvat) who is willing to play provided he has a rating of not less than 2000.
- (f) The highest rated players in the sequence of the Canadian Rating List (see Article 805) until a total of no more than 50 players is reached. The final number of players shall be determined by the CFC Board of Directors.
- (g) A player to be chosen by the organizer.

804. Provincial Champion:

Except where clause 804(c) applies each Province as specified in Clause 803(d) shall have the right to determine who shall be their Provincial Champion by choosing as their champion either the winner of a Provincial Championship Tournament who meets the requirements of 804(a) or the highest rated player who meets the requirements of 804(b).

- (a) To qualify a Provincial Championship Tournament must be held no earlier than two years or later than 4 weeks prior to the start of the Zonal Tournament. It must be a CFC rated closed tournament restricted to players ordinarily resident in the Province at least six months prior to the start of the Zonal Tournament and each player must meet at least one of the following requirements:
 - (i) have an established published rating of not less than 2000 when they qualified to play in or at the start of the Provincial Championship Tournament; or
 - (ii) is the winner of a tournament which qualified the winner to participate in the Provincial Championship Tournament.

The Province has the discretion to decide the qualification rules and format for the Provincial Championship Tournament provided they otherwise comply with the rules herein. Should the winner of the Provincial Championship Tournament not compete in the Zonal Tournament, the runner up shall be the Provincial Champion for the purposes of qualifying pursuant to 803(d). Should both the Champion and runner-up not compete in the Zonal Tournament the Provincial Champion for qualifying pursuant to 803(d) shall be the highest rated player in the Province as defined in 804(b) who is willing to play.

- (b) The highest rated player shall be the highest rated player willing to play who is ordinarily resident in the Province six months prior to the start of the Zonal Tournament. The rating shall be an established rating and published in the rating list designated by the CFC Board of Directors approximately eight weeks prior to the start of the Zonal Tournament.
- (c) Where a Province does not have a provincial association affiliated to the Chess Federation of Canada then the Highest Rated Player as defined in 804(b) shall be the Provincial Champion.

805. Rating Requirements:

In determining the rating for qualification pursuant to Clause 803(f) or 804(b), the following shall apply:

- (a) The players rating shall be from the rating list designated by the CFC Board of Directors and published approximately eight weeks prior to the Zonal Tournament.
- (b) The ratings used must be Established Ratings unless the CFC Board of Directors decides that the playing strength of a player with a provisional or other rating is sufficient to qualify.
- (c) In exceptional circumstances the CFC Board of Directors can qualify a player by rating if tournament results which would qualify a player are not submitted in a timely manner or for any other reason.

806. Additional Places:

When a player who has qualified to play in the Zonal Tournament has qualified under more than one clause of section 803, then the extra place will be filled from the rating list pursuant to clause 803(f).

807. Citizenship and Residency for Canadian Championship:

Each contestant in the Zonal Tournament shall be a member of the CFC in good standing and shall be either (i) a Canadian citizen or (ii) a landed immigrant and be a resident of Canada for the twelve-month period immediately preceding the tournament. Persons who are not citizens or landed immigrants but who have been a resident of Canada for a twelve-month period immediately preceding the tournament and are not living in Canada solely as a student or in a work learning program may be admitted to the Tournament provided they can clearly demonstrate to the CFC Board of Directors that they have a settled intention to continue to reside in Canada. The admittance to the Tournament of such exceptions shall be entirely at the discretion of the CFC Board of Directors.

808. Entries:

All eligible players who qualify to play in the Zonal Tournament, and all other players with an Established Rating of not less than 2250 who may qualify and who wish to participate in the Zonal Tournament shall notify the CFC Business Office no later than 45 days before the start of the Zonal Tournament of their intention to participate, enclosing their entry fee of \$200.00. The Canadian Champion and Runner-Up shall receive free entry but must advise the CFC Business Office of their intention to play no later than 45 days before the start of the Zonal Tournament. Entries which

cannot be accepted because the number exceeds the allowed number shall be advised thereof and their entry fee returned to them. Players qualifying pursuant to Clause 803(d) shall send in their entries as soon as is practical after the Provincial Champion is known but in any case no later than three weeks prior to the start of the Zonal Tournament. In exceptional circumstances, the CFC Board of Directors can vary the time limits in this Clause.

809. Time Control:

Time control shall be determined prior to the tournament by the CFC Board of Directors. The time control for the 1999 event shall be 40/2, 20/1, S.D./30.

810. Tie Break:

Should two or more players finish the tournament with the same number of points then in order to determine an outright winner, a tie-break based on the result of a shorter game using a sudden death time control of 30 minutes per player shall be used. If a Fischer clock is available it shall be used with a per move bonus of 10 seconds.

In the case of two players tying, there will be a single game tie-break with colours being chosen by lot. If the game is a draw colours will be reversed. If both of the first two games are drawn then the time control shall be shortened to 15 minutes per player with a per move bonus of 10 seconds per move, if a Fischer clock is available. Games will continue at this time control with alternation of colours until one game is won.

In the case of 3, 4 or 5 players tying, there will be a single round robin using a time control of 30 minutes per player with a per move bonus of 10 seconds per move, if a Fischer clock is available. There will be a further playoff by the winners of the round robin in the case of a further tie except the time control for this subsequent play-off shall be 15 minutes per player with a per move bonus of 10 seconds per move, if a Fischer clock is available.

In all other cases the CFC President shall decide upon the format for breaking the tie.

811. Prize Fund:

Each player will be responsible for paying his own accommodation and meal expenses with the exception of the Canadian Champion and Runner-Up who shall have their accommodations paid by the tournament organizers. The organizers shall provide a prize fund. First prize shall be travel to the next round of the world championship cycle and a cash prize of at least 20% of the balance of the prize fund. With the exception of the travel prize, cash prizes will be shared by players in the same score group and not be subject to tie-break.

812. Travel:

The CFC shall retain the amount of prize fund to be used for the cost of travel. Should the Canadian Champion not be able to participate in the next round of the world championship cycle, the travel prize shall be used by the player who actually attends at the next world championship round.

813. Territorial Chess Association:

Upon the request of an affiliated Territorial Chess Association the Board of Directors may authorize a Tournament to select a representative in place of the highest rated player resident in the Territories.

814. Authority of the Board of Directors:

The CFC Board of Directors shall rule on any situation not covered by these regulations and shall have the authority to rule on any matter where there is a dispute.

Rules of procedure for The Canadian Youth Championship Tournaments

1000. Events:

These rules apply to the following events:

Canadian 18 Championship
Canadian 16 Championship
Canadian 14 Championship
Canadian 12 Championship
Canadian 10 Championship

1001. Frequency:

A Tournament shall normally be held each year to determine Canadian representatives to the World 18 Championship, World 16 Championship, World 14 Championship, World 12 Championship, World 10 Championship. Each of these tournament is hereinafter referred to as the "Youth Tournament".

1002. Format:

The tournament shall be swiss tournament held over three days with the number of rounds to be decided by the tournament organizers taking into account the number and age of the players.

1003. Players:

The following players shall be eligible to participate in each Youth Tournament provided they comply with the formal entry requirements of Article 1007:

- (a) A player to be chosen by the organizer.
- (b) The Provincial Champion ordinarily resident in each Province.
- (c) The highest rated player resident in the Territories (The Yukon, N.W.T., and Nunavut) who is willing to play.
- (d) The highest rated players in the sequence of the Canadian Rating List (see Article 1005) until the total allowed to compete is reached. The final number of players shall be determined by the CFC Board of Directors in consultation with the tournament organizers.

1004. Provincial Champion:

Except where clause 1004(c) applies each Province as specified in Clause 1003 shall have the right to determine who shall be their Provincial Champion by choosing as their champion either the winner of a Provincial Championship Tournament who meets the requirements of 1004(a) or the highest rated player who meets the requirements of 1004(b).

- (a) To qualify a Provincial Championship Tournament must be held no later than 4 weeks prior to the start of the Youth Tournament. It must be a CFC rated closed tournament restricted to players ordinarily resident in the Province at least six months prior to the start of the Youth Tournament. All tournaments directly qualifying a player to participate in the Provincial Championship Tournament must be CFC rated.

The Province has the discretion to decide the qualification rules and format for the Provincial Championship Tournament provided they otherwise comply with the rules herein. Should the winner of the Provincial Championship Tournament not compete in the Youth Tournament, the runner up shall be the Provincial Champion for the purposes of qualifying pursuant to 1003(b). Should both the Champion and runner-up not compete in the Youth Tournament the Provincial Champion for qualifying pursuant to 1003(b) shall be the highest rated player in the Province as defined in 1004(b) who is willing to play.

- (b) The highest rated player shall be the highest rated player willing to play who is ordinarily resident in the Province six months prior to the start of the Youth Tournament. The rating shall be an established rating and published in the rating list designated by the CFC Board of Directors approximately eight weeks prior to the start of the Youth Tournament.
- (c) Where a Province does not have a provincial association affiliated to the Chess Federation of Canada then the Highest Rated Player as defined in 1004(b) shall be the Provincial Champion.

1005. Rating Requirements:

In determining the rating for qualification pursuant to Clause 1003(d) or 1004(b), the following shall apply:

- (a) The players rating shall be from the rating list designated by the CFC Board of Director and published approximately eight weeks prior to the Youth Tournament.
- (b) The ratings used must be Established Ratings unless the CFC Board of Directors decides that the playing strength of a player with a provisional or other rating is sufficient to qualify.
- (c) In exceptional circumstances the CFC Board of Directors can qualify a player by rating if tournament results which would qualify a player are not submitted in a timely manner or for any other reason.

1006. Additional Places:

When a player who has qualified to play in the Youth Tournament has qualified under more than one clause of section 1003, then the extra place will be filled from the rating list pursuant to clause 1003(d).

1007. Age, Citizenship, and Residency for Canadian Championship:

Each contestant in a Youth Tournament must fulfil the age and residency requirements specified by FIDE for the World event to which the winner of the Canadian event will qualify. Each player shall be a member of the CFC in good standing and shall be either (i) a Canadian citizen or (ii) a landed immigrant and be a resident of Canada for the twelve-month period immediately preceding the tournament. Persons who are not citizens or landed immigrants but who have been a resident of Canada for a twelve-month period immediately preceding the tournament may be admitted to the Tournament provided they can clearly demonstrate to the CFC Board of Directors that they have a settled intention to continue to reside in Canada. The admittance to the Tournament of such exceptions shall be entirely at the discretion of the CFC Board of Directors.

1008. Entries:

All eligible players who may qualify pursuant to Clause 1003 and who wish to participate in the Youth Tournament shall notify the CFC Business Office no later than 45 days before the start of the Championship of their intention to participate, enclosing their entry fee of \$150.00. The CFC Board of Directors may delegate this function to the tournament organizers. Entries which cannot be accepted because the number exceeds the number of players allowed shall be advised thereof and their entry fee returned to them. Players qualifying pursuant to Clause 1003(b) shall send in their entries as soon as is practical after the Provincial Champion is known but in any case no later than three weeks prior to the start of the Youth Tournament. In exceptional circumstances, the CFC Board of Directors can vary the time limits in this Clause.

1009. Time Control:

Shall be determined by the CFC Board of Directors who may delegate the decision to the tournament organisers.

1010. Tie Break:

Should two or more players finish the tournament with the same number of points then in order to determine an outright winner, a tie-break based on the result of a shorter game using a sudden death time control of 15 minutes per player shall be used.

In the case of two players tying, there will be a single game tie-break with colours being chosen by lot. If the game is a draw colours will be reversed until one game is won.

In the case of 3 or 4 players tying, there will be a single round robin with a further playoff by the winners of the round robin in the case of a further tie.

In all other cases the tournament organizers shall decide the format for breaking the tie.

1011. Players Expenses:

Each player will be responsible for paying his own travel expenses, accommodation and meal expenses. The sum of \$100.00 of each entry fee shall go to the tournament organizers to assist with the cost of running the event and to provide trophies and/or prizes where appropriate.

1012. Participation in the World Event:

The winner of the event shall be eligible to participate in the appropriate world event. If the winner is unable to participate, the second place finisher shall be invited to go in his place. If the second place finisher also declines, the highest finisher in the tournament who is willing to participate in the world event, shall be selected. The CFC Board of Directors shall use an appropriate tie breaking method to break ties if required to determine the order of finish. The sum of \$50.00 of each entry fee shall go to the CFC business office to help defray the cost of sending Canada's representative to the appropriate world event.

1013. Territorial Chess Association:

Upon the request of an affiliated Territorial Chess Association the Board of Directors may authorize a Tournament to select a representative in place of the highest rated player resident in the Territories.

1014. Authority of the Board of Directors:

The CFC Board of Directors shall rule on any situation not covered by these regulations and shall have the authority to rule on any matter which is in dispute.

Request for Bids:

Bids for the above 1999 events will be accepted at the Business Office up until December 15th 1998. Please note that the C.F.C. already has bids pending for these events.

Appendix N

Appendix N from the Minutes of the AGM was missing from the last Governors Letter. This was a motion put forward at the AGM by Martin Jaeger. It was subsequently changed into the preceding version that was approved by the Executive.

Notwithstanding any other rule of the CFC, the following shall be utilized for the Canadian Closed and the (so-called Men's) Olympiad team selection for the period May 1, 1999 to May 1, 2003. Where existing rules and the Pro tem rules are in conflict the Pro tem rules shall prevail.

"Pro tem Rules for the Canadian Closed and Olympiad Team Selection:

I. Eligibility Arising from the Finish Order at Canadian Closed

- a) The Canadian Closed (CC) shall determine the order of eligibility to represent Canada at any World Championship conducted in the year of the Closed or in the next following calendar year.
- b) The CC shall determine the order of eligibility to represent Canada at any Olympiad conducted in the year of the CC or the next following calendar year.
- c) Transport prizes arising from the CC shall only be issued to those who participate in the World Championship and/or the Olympiad. When a person eligible for a transport prize chooses not to participate in the World events the travel prize will be awarded to the replacement participant.

II. Eligibility to Participate in the CC

- a) Subject to III e) (prize fund source) all Canadian residents who have ever achieved a published established CFC rating of 2250 are eligible to participate.
- b) Subject to III e) (prize fund source) all Quebec residents who have ever achieved a published FQE rating of 2200 are eligible to participate.

III. Finance

- a) The CFC shall provide support (to be determined by the Executive) for the conduct of the CC, but shall not provide support for the prize fund.
- b) The first use of the prize fund shall be to finance a contribution to the transport expense of the participant in the World Championships. The second use shall be to finance a contribution to the transport expense of participants in the (so-called Men's) Olympiad. Where the prize fund is insufficient to cover the transport expense the individual(s) involved

and/or their provincial/territorial association (if any) shall have the responsibility to provide the balance.

- c) Any excess of the prize fund above eligible transport expenses shall be paid out as finish order prizes. Such payout shall occur after the completion of the events for which the CC prize fund is providing transport expense prizes.
- d) The burden of the prize fund will borne on a provincial territorial basis, based on the distribution of population as of the latest published census as of 9 months before the scheduled beginning of the CC.
- e) Only players resident in a province or territory for which the CFC has received that province/territory's share of the prize fund 30 days in advance of the CC beginning shall be eligible to participate in the CC. Players, associations and donors may club together to finance the province/territory's share of the prize fund as they see fit but the CFC will not participate in the process except via publicity and the issuance of lawful tax eligible donation receipts for eligible donations routed through the CFC.
- f) In principle the sum of the provincial/territory allotted shares shall be 1.5 times the expected aggregate transport cost to the World Championships and the (so-called Men's) Olympiad.

IV. Conduct of the CC

- a) The CC shall consist of a 7 round Swiss conducted over 4 days, semifinals of 2 rounds conducted over 2 days and a 4 round final conducted over 4 days, along with tiebreakers required at any stage.
- b) Participants will bear the expense of travel to the CC, and lodging and meals at the CC, except that the tournament shall bear the lodging expense or provide billeting for semifinalists during the semifinal and shall bear lodging expense or provide billeting for finalists during the finals.
- c) All tiebreakers shall be sudden death. In the first game and second game (if necessary) of a tie breaker white shall have 25 minutes for the game and black shall have 30 minutes. In any subsequent games white shall have 12 minutes for the game and black shall have 15 minutes. If Fischer clocks are available they shall be used with a per move bonus of 5 seconds. Tiebreakers will be used (if necessary) to determine finish order from 5 to 10. Thereafter ties will be determined by lottery. Tiebreakers will not be used to award prizes beyond transport prizes. Tiebreakers will not be used to determine finish order among those who earned a clear entry to the semifinals in the Swiss proper.
- d) Where a player has finished clear first he has the right to choose his opponent among semifinalists who

did not finish clear second, except that where there is a two way tie for second, a clear first finisher has the right (but not the obligation) to choose the fourth place finisher as his semifinalist opponent. Where the clear first place finisher does not choose his opponent, opponents in the semifinals shall be chosen by lottery. Colour for the first game of playoff matches shall be determined by lottery at the time that opponents are determined and shall alternate thereafter with the order to continue into any necessary tiebreakers.”

Discussion: It had been my intention to have this motion sent out with GL6 but there has been no (customary) GL6. Nonetheless, the motion is in the spirit of 98-7 so that I believe that it may reasonably be voted on at the AGM. However if the AGM gives final approval to a bid for a 1999 Closed, I will reframe the motion so that it covers 2001 to 2005, and will move the motion so that it can be dealt with by mail vote. However I believe that the motion is sufficiently complicated so that dealing with it in person is preferable. Realistically, it is not possible to deal with the motion via the mail for the 1999 Closed because of the 9 month rule. I thank Dr. Cabanas for reminding me of the 9 month rule.

The main intent of the motion is to reduce the expense to the CFC of staging the event of financing international play while providing for a fair sharing of these expenses across Canada. Given that the World Championships now proceed on the basis of matches I believe that it is very reasonable to move away from the round robin format and provide for greater access to the Closed. If these temporary rules are used I think that they will be found to function satisfactorily and will become the basis of permanent rules later.

One of the notions involved, though not expressed is to have the Closed “surround” a major weekend tournament such as the North Bay Open, the Quebec Open, the Keres Open or the Toronto International Open. In this way participants in the closed could make better use of their travel expense to the Closed.

I think a 7 round Swiss and playoffs is better than a 9 round Swiss although both systems can generate titles, a straightforward 9 round Swiss can generate perceptions (or realities) of collusion affecting the result. With four players advancing out of a 7 round SS it is unlikely that any perception that the best player will not advance will arise.

In framing this motion I benefitted from discussions held with Bunning, Kevin Spraggett, Haley Cabanas,

Langen, Maurice Smith and Findlay. I thank them for their advice even if some of it was mutually contradictory.

Motion

“Assembly of Presidents

1) There shall be a body known as the Assembly of Presidents, to which each provincial/territorial association may nominate a member. Each president shall be a Governor of the CFC ex officio.

2) The Assembly of Presidents shall have the right to veto changes to the rules governing eligibility to participate in National Closed events, changes to the rules governing choosing of Canada’s representatives to world events and changes to CFC dues schedules which establish different levels in different areas of Canada. Such vetoes shall have effect only from the date an alternative motion presented by the Assembly of Presidents receives the approval of the Assembly of Governors. The Assembly of Presidents also has the right to propose motions to the CFC dealing with any matter it sees fit.

3) Where a province or territory has not nominated a member to the Assembly of Presidents or a member of the Assembly of Presidents has not voted on a measure, the president of the CFC shall vote on behalf of that province/territory taking into account, as he/she understands it, the general will of players in that province/territory.

4) The votes in the Assembly of Presidents shall be weighted by the distribution of Canadian population as of the latest available census.”

Discussion:

This motion would provide all provincial/territorial associations with an official input into CFC affairs on matters which are truly federal in nature. It would make clear that all provincial/territorial associations have an equal right to be consulted by the CFC if the CFC consults with any provincial association and that the CFC has not the right to negotiate with one association on behalf of all the other associations. However by not nominating to the Assembly of Presidents or not arranging to have the provincial/territorial vote cast a provincial/territorial association could transfer its voice to the CFC if it chose to do so.

The mechanism may strike some as awkward but it is far better than we have now.

Canadian Junior

The Canadian Junior will be held this year in Vancouver, December 26, 1998 to January 2, 1999. The organizer is Joshua Keshet and the Tournament Director is Francisco Cabanas. All Regions have been previously notified.

General Comments

(Grant Brown) President Maurice Smith takes Governors like me to task for suggesting that we should cut a deal with AEM that would be in our mutual interests. Further, he maintains that Governors who purchase equipment from AEM are placing themselves in a conflict of interest and should resign from the position of Governor of the CFC. He makes a useful analogy: "The Bay and Sears each have their own way of doing business and customers sometimes use both companies...." This might shock Mr. Smith, but indeed, sometimes employees of the Bay purchase Sears products, and vice versa – there is certainly no obligation whatever that they not do so. Even a member of the Board of Directors of G.M. may own a non-G.M. vehicle. In short, one may do his best to promote the interests of the CFC as Governor without in any way committing himself to promoting the interests of the CFC at the expense of his own pocketbook, or at the expense of scholastic chess promotion in Canada. As long as AEM is doing a better job of promoting scholastic chess than the CFC is capable of doing – and they are – I will continue to support AEM's efforts and urge the CFC to make its peace with this situation rather than wasting effort trying sabotage it to our own long-term detriment. Come up with a credible alternative plan, Mr. Smith, and the means to implement it, and I will be all ears! The governors who speak on the matter seem to be divided sharply between those who view any association with AEM as "treasonous," and those who think we should cut a deal with AEM in our mutual interests. It might be useful if we were to take a straw vote on this question. The governors should be giving the Executive some indication of the direction they want to see the CFC going in terms of our relations with major players in the field, and this can't be done simply through the voices of a few governors who have strong opinions. Finally, is my suggestion that we make a mutually advantageous merchandizing arrangement with the FQE going to go unattended?

(Maurice Smith) This is in reply to Grant Brown's comments concerning AEM and the C.F.C. I have

worked over twenty five years with a Company that handles corporate accounts at the Board of Director level. Also I have had the privilege of attending our own Board of Directors meeting. Therefore, I can safely say that a Director of a Company who openly supports a competitor at the expense of his own Company is acting irresponsibly and is guilty of a conflict of interest and subsequently should resign. Since the C.F.C.

Governors are akin to a Board of Directors in that they frame the overall policy of the organization, the comparisons are legitimate. I suspect that Governor Brown is trying to stir up the C.F.C. into positive and aggressive action with his remarks. Therefore I believe that he should be made aware that there have been many positive actions and results over the last two years.

a} Technical achievements: Too numerous to mention but including all the ratings, crosstables, results etc. that are now on line. A telling remark made not so long ago by a U.S.C.F. Executive, " Why can't our web page be as good as the C.F.C.'s?"

b} A new rating system that makes extinct many of the flaws that previously existed.

c} A faster way of processing orders and shipments.

d} New products in the area of chess supplies have been introduced.

e} In the last six months a strong control over expenses { see financial report }

f} A school program has finally been set into place and is being well received.

There are others, but just from the above you can see that the Business Office and the Executive are doing their part to make the C.F.C. an effective and stable organization. All that I ask now is that all Governors lend their support as well. Too often some Governors try and find negative things to emphasize while ignoring all the positive things that have happened. The one area we need to improve on is increasing sales. That is where AEM and some Governors come into the picture. Creating more exposure for a competitor and helping him increase sales obviously reduces our sales. The small number of Governors who think this is quite all right are the first ones to insist that the C.F.C. should manage its finances better. So Governor Brown, I do not think we need a straw vote to see who supports the C.F.C. { because that is what it amounts to }. We just need the Governors who previously have not given their full support to join the rest of the Governors, the Business Office and the Executive in supporting and promoting the C.F.C. wherever possible. On your last item, whether a mutually advantageous merchandizing arrangement with the FQE is feasible remains to be seen. This will be looked at. Governor Brown, any suggestions you have that are intended to

improve the C.F.C. in any way are welcome. I just ask you and all Governors to keep in mind the progress we have made and are still making in many areas.

(Peter Stockhausen):

Canadian Open Update:

Preparations for the Canadian Open in July of 1999 are now fully underway. Following some comments I have read about the Ottawa event, we would like to highlight a few points for next year. The event will take place in the ballrooms of the Delta Pacific Resort & Conference Centre. The playing rooms are well lit, fully carpeted and air-conditioned. There is no interior or exterior noise. Boards will be set at two per eight-foot table while the top 25 boards will each have a six-foot individual table. Each table is covered with tablecloth. There will be demonstration boards for the top five boards.

Mrs. Lynn Stringer will update the wallchart. Non smoking and smoking skittles rooms are close to the tournament room. Complimentary water will be provided.

The overall environment will be very similar to 1994 and 1997 in Winnipeg.

Please visit our web site at :
www.escape.ca/~chessman/NewPGN/COV/COV99.htm

CFC Financial Update:

As Treasurer, I was delighted to see the increased interest the Governors showed to our financial affairs. I will therefore provide in each GL a brief update on our financial affairs. You are of course invited to contact me if you have any specific interests or inquiries. You can reach me via e-mail at: pstockh@ibm.net

Sales:

Up to the end of September (5 months) our sales have been a bit slower than last year. School Sales have picked up strongly since the beginning of October.

Cost of Sales:

Well controlled and our flow through has improved from 56% to 62% this year.

Operating Costs:

Well controlled. Total Ops cost decreased by 20% from last year.

Net Profit:

8,000 profit vs (\$4,500) loss last year. Note this INCLUDES the expenses for this years Olympiad in

Elista.

Second Discussion on 99-1

99-1 (Brown/Watson) that the CFC by-laws be changed so that CFC Presidents no longer become CFC governors for life, but rather become CFC governors for a period of three years for every year served as President, immediately following their term as President. (To take effect retroactively.)

Discussion (Brown): (i) Serving as CFC President warrants a perk; but a lifetime governorship is grossly excessive. (ii) The CFC has too many governors, many of them ex-presidents who are no longer active. This makes it very difficult to attain quorum. (iii) On the other hand, active ex-presidents who still carry baggage from battles two decades ago are potentially even worse. We need governors who are current. (iv) Giving lifetime governorships to ex-presidents tends to inflate the proportion of governors from Ontario, leading to the possibility of a central-Canada bias. (Note: The precise terms of the proposal are open to negotiation; it's the principle that needs discussion initially.)

Second Discussion on 99-2

99-2 STRAW VOTE TOPIC: (Maurice Smith) Move the C.F.C. Annual Meeting from its traditional time of during the Canadian Open. The main option is to have it two days before the Tournament.

I am submitting this as a straw vote topic because there has been considerable argument on both sides of the question. I will present a few of the arguments here, and of course there are likely others that can be presented.

The most arguments seem to be against rather than for either side. The main concern about having the AGM during the Canadian Open is that the intensity of the debates leaves a person drained going into the playing session. This includes the Canadian Champion and other Masters who are Governors. It seems that they are being penalized for helping the C.F.C. in its administration and formation of policies. Similarly, other Governors find it difficult to find the right frame of mind after lengthy hours of debate. On the other hand, the main argument against having the AGM two days before the Canadian Open concerns expenses. Governors who have to travel to the location face another two days hotel and meal expenses. Also, it can mean another two days off work for some people. Keep in mind that the 1999 Canadian Open in Vancouver is a day longer than usual and starts on a Friday.

There you have the main arguments. I would like to see discussion in the next G.L. and any further discussion and a vote in G.L.3. Following that the Executive will make a decision on the timing of the next AGM based on the results.

Second Discussion on 99-3

99-3 STRAW VOTE TOPIC: (Alex Knox – Ari Mendrinos) Moved that the title of Executive Director be removed from the CFC Handbook, and replaced with Business Office Manager.

Second Discussion on 99-4

99-4 STRAW VOTE TOPIC: (Alex Knox – Ari Mendrinos) Moved that all CFC business office employees (as a condition of employment) be prohibited from stating, or ,making public (in any way shape or form) their personal opinion on CFC business matters (including En Passant) without consent from the Executive.

1998 Motions

All 1998 motions were dealt with at the annual meeting. The following discussion appears for the record.

Discussion on Motion 98-7

98-7 (Grant Brown) Against Berry's motion to have the provinces fund their representatives to national championships themselves, by covering their entry fees and by having entry fees cover the entire cost of the tournament, John Puusa argues that the CFC "should work in sync with its provincial partners as best as is humanly possible, including assistance of the weaker links (financially, organizationally, etc.)" There are two cases to consider here – that of Quebec, and that of the smaller provinces. As for the first case, far from being a "weaker link," Quebec is probably the strongest chess province in Canada, measured by the per capita participation rate if not the strength of its elite players. The problem is that the strongest link refuses to bear its fair share of the burden of funding national championships (much less subsidize the "weaker links"), because it allows most tournament-playing chess players in Quebec to opt out of joining the CFC. Clearly Berry's proposal would deal fairly with this problem. As for the second case, it is a mistake to conflate Canada's SMALLER links with its WEAKER links. Suppose (not unrealistically) that PEI were to acquire a great chess organizer, such that in a few years it became

the province in Canada with the highest per capita participation rate of any province. Yet it would still not be big enough to be able to generate revenues from its relatively small number of members to pay the full cost of sending representatives to national events in all categories. The question then would be why chess players from other parts of the country which are struggling to raise the per capita participation rate in their own areas should be asked to bear the further burden of subsidizing players from Charlottetown just because PEI happens to be a province and their own city or region isn't. Under the current arrangement, a genuinely "weaker link" would be subsidizing a stronger one, purely as a result of geo-political accident. Absolute foolishness, I say. In answer to Peter Stockhausen's questions on 98-7:

1. Berry's proposed arrangement does not increase available funds; but it expends the available funds more efficiently (which amounts to the same thing).
2. This proposal does not insure that funding is available to every provincial champion who might wish to participate in a national championship; but given that the CFC is being driven to the poorhouse by current arrangements, neither is the status quo a guarantee that funding will be available to them. Berry's proposal is more fiscally prudent for the CFC, and leaves members' fates more in the hands of provincial organizations over which rank-and-file members surely have more influence.
3. By placing the onus on provincial associations to see to it that their representatives get funding, much less work is required of the CFC. The accounting trick of crediting provincial associations for part of the CFC dues is already being done; only the amounts would change under Berry's proposal. So no extra paperwork is entailed that I can see.
4. If a provincial association uses the increased revenue from the proposal for projects other than paying entry fees for their representatives to national events, they have their own membership to answer to. (If a provincial champion is rated 800 points lower than the top contenders for the national championship, then spending the money on other projects instead might actually be a good idea.)
5. I don't understand this question. Obviously, nobody likes to pay entry fees, though – so increasing them to make national events self-financing would not be "popular" among those who used to get a free ride. So what?

Discussion on Motion 98-8

98-8 (Grant Brown) For heaven's sake, let's get rid of the Olympic Selection Committee entirely and select players by objective criteria! Either the Olympic committee is a committee of peers, in which case there is a problem with conflict of interest and back-scratching; or else it is a committee of non-peers, in which case there is a question of competence. I can't see anything but acrimony arising from using the judgment of a committee to determine who would make a good "fit" on the team. It scares me to read in the report of the selection committee, for example, such ad hoc jiggery-pokery as this: "I then took this list to the Keres Memorial in Vancouver where I discussed it with Spraggett, Lesiege, and Teplitsky..." If these kinds of informal consultations were used to determine the qualifiers for something as minor as the Alberta Closed championship, there would be mayhem!