

**CHESS FEDERATION OF CANADA  
GOVERNORS' LETTER THREE  
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#4 is Wednesday, February 24<sup>th</sup>, 2010

## **President's Message**

Greetings to all CFC governors, and welcome to the New Year. I have learnt much since I began my mandate as president, much on the basis of "hard-knocks". One lesson is that one is required to put a hefty majority of one's time and effort in the maintenance of current CFC programs. I am extremely grateful to the other members of the executive for their advice and support. In my opinion, they are one of the best since I became involved in volunteering for the CFC.

I am also grateful for all of the input and feedback I have received from CFC governors and members at large. In particular, kudos go to Chris Mallon for graciously fixing the website in an impressive short time in order to remove the Google warning. This warning was hurting the sales of our contractor, FEN, the exclusive distributor chess equipment for the CFC. I commend the Nadeau family for their patience in this matter.

I also want to highlight the work of Bob Armstrong, a CFC governor. He is steadfast in his support of the CFC. He seems to have boundless energy in improving the governance structures of the CFC and promoting discussion among governors and members at large

### **Lengthy Turn Around Time for GL3**

The Secretary, Lyle Craver, had the GL3 prepared by the top of the New Year. In addition, all of the executive members had all of their reports ready then. I take full responsibility for the delay.

Since I was ill for for three weeks since New Year's and unable to work at my place of employment, I hope you will be charitable for the delay. I have made a full recovery. I am currently carrying out my presidential duties to the best of my abilities.

### **Budget 2009-2010**

The budget was not approved by the governors on the 15 January 2010, just as it was not approved at the 2009 CFC AGM. The only feedback I received at the AGM was that the website and web-magazine should be re-allocated. I had assumed that the other items in the budget were not controversial as no attendee of the AGM brought forward concerns regarding these other budgetary items. I did speak with the EKG, regarding those questionable line items. For example, regarding office expenses, EKG informed me that this line item was created the previous president, David Lavin. Since, Lavin has made it clear that he desires no communication with the CFC, I am unable to ascertain what he had mind regarding for example, office expenses.

The line item for the Shirov visit has been eliminated from the budget as requested by Gordon Ritchie, the organizer of this event. What you may have not known, the main purpose of the Shirov visit was to benefit youth chess in the Ottawa area. At some point in time, the CFC will need to give some money to the Eastern Ontario Chess League to fund youth development in the Ottawa area.

Since the website is required infrastructure, one must consider that as a capital expense, which depreciated at an appropriate rate. In addition, EKG has informed the CFC executive that the CFC database is becoming unstable. Sometime in the future, the CFC will need explore the overhaul and replacement of much of its software, that is support office functions.

Regarding the budget discussions, I am disappointed that so few governors participated on the online discussion on the CFC discussion boards. If you do have concerns, please email them to my home account: [eric.vandusen@yahoo.ca](mailto:eric.vandusen@yahoo.ca)  
The Treasurer, Maurice Smith, will be working closely with EKG to make the financial statement for the current year and draw up the next budget. Should any of you have any particular concerns regarding the priorities of the CFC, I encourage you to contact our Treasurer, or any other, executive member.

#### **The CFC relationship with EKG**

There has been much confusion regarding the office functions. I want to be crystal clear. The CFC has neither an Executive Director, nor, an office. The CFC has a contractual agreement with EKG to carry out office functions. Patrick Smale, president of the EKG will be meeting with me in Ottawa soon to discuss the way forward to resolve the aforementioned confusion.

#### **Replacement of Website**

A number of CFC members have contacted me regarding doing the work to replace the website. The Statement of Work is being created by an IT expert in Toronto. The complexity of the website regarding its required functions, for example, the electronic registration of new members, has led to an unforeseen delay. I will redouble my efforts by involving more resources so that publication of the Request for +Proposal on the CFC website occur as soon as possible.

#### **2010 Canada Open in Toronto**

The Toronto tournament committee is trying their best under challenging economic times to organize the best possible event. While there is a possibility of additional significant corporate funding, at this time, it does appear improbable. The event may have to be scaled back from the original proposal, previously approved by the governors. However, I am assured by the committee that the event will happen. In any event, the tournament will remain a quality event, and I look forward to playing in it.

#### **Rulings regarding Motions**

Lyle Craver withdrew his support of the Lavin motion reorganizing the CFC executive, so I have deemed it to be out of order, as specified in Robert's Rules of Order. When this motion was discussed briefly at the 2009 AGM, the prevailing opinion was that this motion was "dead on arrival". Therefore, all of Bob Armstrong's amendments to this motion are also defeated as no motion now that exists to be amended.

Bob Armstrong had several motions that he wants to be voted at the 2010 CFC AGM, which will be held at the Canada Open in Toronto. The CFC Executive is examining the possibility of experimenting with the web-casting of the AGM. This will permit CFC governors who cannot travel to Toronto to participate directly in the discussion.

I have directed Bob Armstrong to publish his motions on the CFC discussion boards in order to get input from all governors and/or CFC members so that the motions can be discussed and fine-tuned so that a consensus can be established. This will greatly help in the motions being passed efficiently at the AGM so that participants of the AGM are able to spend their time having fun at the Canada Open. (I suppose I am implying that AGM's are a trying affair.) However with webcasting, CFC members from all across Canada will have the opportunity to view their representatives in action and duly give them their feedback directly. If the webcast is successful in permitting all governors to participate meaningfully at the meeting, then the CFC may be in a position to eliminate proxies all together.

## **Conclusion**

As always, I implore all CFC members to conduct themselves in such a manner to promote the image of chess, the sport we love, at a professional standard. Such behaviour will aid the tournament organisers as well as the CFC to garner corporate support. In conclusion, I wish everyone health, prosperity, and best of luck in all of endeavours, especially the chess ones.

Eric Van Dusen  
CFC President

## **Message from the Secretary:**

Compiling the Governors' Letter has been called 'more fun than herding cats' and this Governors' Letter has been no exception. As anyone who has been following the Governors' section of the CFC Forum can attest the time since GL#2 has been interesting.

I note *en passant* that this is the second GL in a row where there have been no Governor general comments. This section is reserved for comments by Governors on pretty much anything going on that is of interest outside their own local area. A big part of being a Governor is communicating both to and from the general membership, the Executive and to each other. One area I had particularly wanted to hear from Governors on is feedback on how SwissSys is being received and how well it is meeting Tournament Directors' needs.

There are several new motions on the role of the Executive in this GL which need to be carefully considered. I also urge Governors to pay close attention to the motions for Second Discussion as if passed they would make the 2010-2011 Assembly of Governors quite a different place. You will have to judge for yourselves whether or not you think that's a good thing.

One chess resource I'd like to share is the website of the Nørresundby Chess Club (Denmark) which has lots of links to tools that will be of interest to anyone interested in chess publishing, either print or online. Their site is at <http://www.enpassant.dk/chess/homeeng.htm> I am particularly impressed with their chess fonts and images as well as their Palview tool.

Lastly the CFC 3<sup>rd</sup> Quarter financials are presented in the Appendix. We have clearly made much progress though we have much to do yet.

Lyle Craver  
Secretary, Chess Federation of Canada

## **FIDE Representative's Report**

FIDE Zone Report, January 10, 2010

The world of chess enjoys an exciting new first. Magnus Carlsen is the youngest player to ever top the FIDE rating list. The Carlsen team aims to revitalize chess in the west. The possibilities are most appealing!

Canada will host the 6<sup>th</sup> Annual 2010 North American Youth Chess Championship from August 16-18, at the University of Quebec Sports Complex in Montreal. I would like to thank Larry Bevand and the Chess n' Math Association for organizing this event in conjunction with their 25<sup>th</sup> Anniversary celebrations this summer. An information sheet will be available before the end of

January.

This will be the first time Canada has hosted the tournament. " FIDE America" under the leadership of President Jorge Vega has implemented an impressive calendar of events for the North and South American "Continent", so it is encouraging to see Canada contributing at this level.

The World Championship Match between Vishwanathan Anand and Veselin Topalov will take place in Sofia Bulgaria from April 21- May 12. The Arbiters will be announced later this month. I am on the list of eight candidates but I expect others to be named. The next title match has been awarded to London, England in 2012.

The Chess Olympiad in Khanty Mansiysk begins on September 19 and our teams are unfunded. For the Dresden Olympiad we had David Cohen rallying the membership for the requisite funds. He may have ruffled a few feathers but he was effective. We need a fund raising plan for 2010!

Hal Bond  
FIDE Representative

## **Youth Coordinator Report**

Dear chess friends,

It's my pleasure to inform you about good results of young Canadian players at the World Youth Chess Championship that took place in Antalya, Turkey from November 11 to 23, 2009.

All 21 Canadian players performed well above expectations, but especially remarkable was result of Richard Wang in Under-12 section – 8.5 points out of 11, 3<sup>rd</sup> place and a Bronze medal! It's the first Canadian since 1986 who won a medal at the WYCC!

My congratulations to Richard, as well as to the Team Coach IM Artiom Samsonkin and the Head of Canadian Delegation Andrei Botez, who assisted Richard in any possible way! Please check Canadian Team blog for pictures and additional reports:

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

Looking forward I wish you Happy and Successful New 2010 Year!

It's expected to be very eventful year in Canadian Junior (and not only Junior) Chess:

January 15-17: 2010 Canadian Post-Secondary Chess Championship in Toronto, Ontario – please see <http://www.chesscanada.info/forum/showthread.php?t=640>

March 19-25: 2010 World Amateur Chess Championship in Skokie, IL USA – please see <http://www.chesscanada.info/forum/showthread.php?t=738>

July 6-9: 2010 Canadian Youth Chess Championship in Windsor, Ontario – please see <http://www.cycc.ca/>

July 10-18: 2010 Canadian Open Chess Championship in Toronto, Ontario – please see <http://chess.ca/canopen.shtml>

July 24 – August 1: 2010 World Youth U-16 Chess Olympiad in Antalya, Turkey

August 1-8: 2010 Pan American Youth Chess Championship in Novo Hamburgo, Brazil

August 2-17: 2010 World Junior and Girls Chess Championship in Chotowa Czarna, Poland

August 16-18: 2010 North American Youth Chess Championship in Montreal, Quebec

September 19 – October 4: 2010 Chess Olympiad in Khanty-Mansiysk, Russia

October 19–31: 2010 World Youth Championships in Halkidiki, Greece

Unfortunately, Calgary organizers who previously expressed their interest to organize 2010 Canadian Junior Chess Championship are unable to make it happen.

Are there organizers willing to organize 2010 Canadian Junior Chess Championship?

Please let me know as soon as possible.

Thank you,

Michael Barron,  
Youth Coordinator, Chess Federation of Canada

January 8, 2010

## **Business Office Report**

Thanks to all TD's, organizers, and members for their contributions to the CFC as a whole.

### Electronic Newsletter:

Please check at your local clubs and ask members if they have email and are not receiving the monthly electronic newsletter. Currently only about 53% of members are receiving it. If a player does not have an email, they may designate somebody else in their family to receive it for them. Once identified, please submit any members email information to the CFC office at [info@chess.ca](mailto:info@chess.ca)

### Membership News:

By order of the CFC President, effective immediately the Junior Participating membership option has been eliminated.

### SwissSys Usage:

Please insure you are using the most recent version 8.64. If not please download from <http://www.chess.ca/swissys.htm> and re-install.

### 3<sup>rd</sup> Quarter Financials:

Please find enclosed in GL#3 the formal 9 month fiscal report for period ending January 31<sup>st</sup>, 2010. The monthly surpluses are not building as fast because more funds are now being directed into member services. Membership revenues are on course to be in the same range as last year, while rating fee revenues are on course to perform about 10% better than last year. The executive (especially the Treasurer) have been explicitly briefed monthly on all financial issues which continue to be complex.

Gerry Litchfield  
February 2<sup>nd</sup>, 2010

## **Results of Votes:**

### **Vote on the Toronto 2010 Canadian Open Bid**

**Vote Yes (24):** Armstrong, Blushtein, Bunning, Cabanas, Coleman, Craft, Craver, Dutton, Einarsson, Haley, Hughey, Langer, Nadeau, Nunes, Ong, Palsson, Rekhson, Ritchie, Smith, Starr, Steer, Tsui, von Keitz, Zeromskis

**Votes No (0)**

**Abstentions (2):** Barron, Bond

**Vote on the Financial Plan**

**Votes Yes (6):** Bond, Bunning, Craver, Palsson, Ritchie, Smith

**Votes No (20):** Armstrong, Barron, Bluvstein, Brodie, Coleman, Craft, Demian, Dutton, Einarsson, Gladstone, Hughey, Langer, Leblanc, Lohner, Mallon, McDonald, Ong, Thomas, von Keitz, Zeromskis

Abstentions (0): none

A vote from Stringer was received after the deadline.

**MOTIONS FOR FINAL VOTE:**

**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

*Lyle Craver:* I originally seconded this motion as I thought the idea had sufficient merit to deserve discussion. Based on the various e-mails I have read I will NOT be supporting this motion at final vote. Most of my objection is based on the sections concerning external affairs and relations with FIDE in particular. This makes the various Armstrong amendments moot (see Motions for First Discussion). My view is that we are best served by rejecting this proposal altogether and making a new proposal rather than trying to patch things up with amendments.

**Note: as per the President's ruling this motion has been ruled out of order – thus this is included for the reference of Governors only. Please do not vote on this motion.**

**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. Please note that Motion 2010-12 would amend these quotes from the Handbook by eliminating the Participating Junior Membership)*

**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.

**Lyle Craver:** I will be voting against this proposal as I feel our former Presidents have for the most part continued to provide valuable advice to both the Executive and the Governors for a very long time. I do not believe our Life Governors have ever voted *en bloc* against the collective votes of the remainder of the Assembly of Governors. They have provided invaluable service for the years and I do not support amending the Handbook to “put them out to pasture”

**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.

*Lyle Craver:* I will be voting no on this motion for the same reasons as stated on motion 2010-03

## **MOTIONS FOR SECOND 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 of names 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.

**Eric van Dusen:** This is a constitution amendment with voting on this motion governed by Bylaw #3 Section #3

**Lyle Craver:** This motion appears to be an attempt to ensure we have a smaller, more active Assembly of Governors. I'm frankly undecided on this issue but will note for the record that other than voting on bids for National events it is unusual to get more than 50% of the Governors voting on any given issue and that this has been the case for at least five years. With respect to the previous motion, the activity record of our Life Governors is significantly better than that of Governors elected by Annual General Meetings of the provincial affiliates!

**Motion 2010-06: CFC Fees** (Moved / Seconded Bob Armstrong / 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 ). “

**Lyle Craver:** This is what the Tournament membership was intended to address though it has had the result that many players have used this as an alternative to Regular membership which has had the effect of lowering participation nationally.

**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."

The intent of this motion is to emphasize the importance of CYCC as a qualifier for all International Youth competitions: WYCC, Pan American YCC and North American YCC, and allow top 3 CYCC finishers to represent Canada at one of these events.

**Lyle Craver:** I'm unclear on the intent of this motion. Is it to allow a champion to participate in other events or is it to make our champs qualify for all three events at once? If the latter I would expect this would tighten competition for these spots though travel costs may make it impossible for our champs to participate in all events they qualify for particularly as junior players (unlike adults) seldom travel alone! Of the three, which is our priority?

## **Motions for First Discussion:**

### **Motion # 2010-08 – New Section of Bylaw 3, Duties of Officers, Section 4 - President**

Moved / Seconded: Robert Armstrong /Ken Craft

That Section 4 of Bylaw 3 , Duties of Officers, dealing with “ President “ be deleted and the following substituted for it:

#### **“ 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 for approval to The Assembly of Governors, in consultation with the Treasurer, within 1 month of the start of a new CFC Administration. This budget must indicate a surplus for the upcoming fiscal year. The President will make best efforts to ensure that the annual budget is adhered to by the Executive Director or outsourcing contractee. “

#### **Commentary:**

The current section 4 of Bylaw 3 states:

#### **“ 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.

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. 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). “

The proposed duties of the President in the executive motion 2010-01 were:

**“ 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. “

The new section we have proposed is an amalgam of the above 2. It seeks to make clear the paramount role of the Governors to run the Corporation, and the limited powers within this exercised by the President.

You will note that we have deleted from the current 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”

We have done this because we believe this sentence introduces an element of ambiguity into the issue of division of power between the President and the Assembly. It purports, in our 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 proposed, to show the “ emergency “ nature of some of the president’s power.

As well, we have moved the date for presentation of a budget to within 1 month of the start of a new CFC Administration. We feel this is necessary so that the budget is not a reflection of the priorities of the old CFC administration, but of the new administration that comes in in July at the AGM. What happens now is that the budget is presented around the start of the new fiscal year by



the old administration, and then the new administration in July says they want to “ revise “ the budget. And then the process of revision drags on. Under our proposal, the budget would have to be presented by early August, given when we have our AGM ( if the AGM would in future, under changes being discussed currently, be moved to earlier in the year, then the budget would come in earlier than 3 months into the new fiscal year ).

*Eric van Dusen:* This is a constitution amendment with voting on this motion governed by Bylaw #3 Section #3

**Motion # 2010-09 – Amending Section 5 of Bylaw 3 – First Vice- President**

Moved: Robert Armstrong Seconded: Hal Bond

That in Bylaw 3, Duties of Officers, Section 5 – First Vice-President, the word “ First “ be deleted throughout the section.

**Commentary:**

The current section 5 of Bylaw 3 reads:

**“ FIRST VICE-PRESIDENT**

5. The First Vice-President shall assist the President in the discharge of his duties whenever requested by the President. He shall perform the duties of the President whenever the President is unable to perform them owing to his absence from Canada, or his absence from any Province of Canada where at the time such duties must necessarily or can most conveniently be performed, or to illness or other temporary incapacity.

The First Vice-President may also act in the place or stead of the President when specifically delegated to so act by the President; provided, that any delegation of authority by the President to him shall specify the matter to which his authority is delegated, and in the absence of such specifications the First Vice-President shall be deemed to be assisting the President only, and not acting in his place.

Whenever the First Vice-President is delegated by the President to act in his place and stead as to any specified matter, the First Vice-President shall possess and may exercise all the powers of the President. Any delegation of the President, to the First Vice-President may be revoked by the President at any time. “

Our amendment is purely technical in nature – CFC has never referred to the Vice-President as the “ First Vice- President “ and there has never been a “ Second Vice-President “. We have made the section conform with CFC common practice when referring to the position.

*Eric van Dusen:* This is a constitution amendment with voting on this motion governed by Bylaw #3 Section #3

**Motion # 2010-10 – Amending Section 8 of Bylaw 3 – Treasurer**

Moved: Robert Armstrong Seconded: Paul Leblanc

That Bylaw 3, Duties of Officers, Section 8 – Treasurer - be deleted and that the following replace it:

**“ Treasurer**

8. ( a ) The Treasurer will be responsible for reviewing the financial records maintained by the Executive Director, or his/her equivalent, who shall:

i) keep the general books of the account of the Federation, in which shall be recorded all receipts and disbursements. He shall have the custody of such books of account and all bank books, cancelled cheques, vouchers, statements, and other documents pertaining to the general bank account or bank accounts of the Federation, other than banking resolutions touching the authority of signing officers, which shall be entered in the Minute Book, and retained by the Secretary.

ii ) from time to time, as may be requested by the President, furnish him with such information as to the financial affairs of the Federation, as he may desire.

iii ) Annually, as of the last day of the fiscal year, shall close the accounts, and shall prepare a Financial Statement of the Affairs of the Federation as at that date, showing all receipts and disbursements, under such groupings and classifications as he may deem desirable, together with a Balance Sheet showing the assets and liabilities of the Federation as of that date, and shall file a copy of these statements with the Secretary, over his signature.

iv ) file a copy of these statements also with the Auditor to the Federation, and shall submit for his examination, such books and records as the Auditor may require to effect an appropriate examination, and issue a Certificate in connection therewith.

( b ) The Treasurer will also be responsible for developing, in conjunction with the President, an annual budget, to be presented by the President for approval to the Assembly of Governors within 1 month of the start of a new CFC administration.”

**Commentary:**

The section proposed in Motion 2010-01 telescoped the financial duties so much, that the specifics of what records are to be kept, as set out in the current section, is being lost. There needs to be a statement somewhere of what financial records must be kept, and this section is the place to do that. For this reason we wish to keep the current section, in a slightly amended form. The amendment is that for years the Treasurer has not prepared and maintained the financial records of the corporation – this has been done by the Executive Director. The duty of the Treasurer has been merely to oversee this process. So we have amended the section to make this clear.

Also, the CFC has never operated on a formal budget system. The reason for a budget is to guide spending during the fiscal year, to make certain that spending does not exceed revenue, and the Corporation end up with a deficit. The CFC has just come off 5 consecutive years of deficits averaging \$ 30,000 per year. If any corporation is in need of a budget, it is the CFC. We have decided that such budget should be prepared by the new Executive. The proposed motion states that it is to be prepared 1 month before the end of the fiscal year, but this leads to the problem we have seen this year. The old administration prepares a budget for the coming fiscal year, by the end of March, but then the new administration is elected in July, and they have different priorities, and so they then go and “ revise “ the budget. We think it is better to delay the budget to the end of July or start of August, so that a budget with new administration priorities

will be presented. As well, it may be that in future, the CFC AGM may be advanced to earlier than July, in which case this would assist in the budget coming in earlier in the new fiscal year. Finally, we have made it clear that the budget by the President, prepared in consultation with the Treasurer, is presented for the approval of the Assembly of Governors.

*Eric van Dusen:* This is a constitution amendment with voting on this motion governed by Bylaw #3 Section #3

**Motion # 2010-11 – New Section of Bylaw 3, Duties of Officers, Section 8D– FIDE Representative**

Moved: Hal Bond Seconded: Robert Armstrong

That there be added to Bylaw 3 , Duties of Officers, a new Section 8D dealing with “ FIDE Representative “, as follows:

**FIDE Representative**

8D. The FIDE ( Federation Internationale des Echecs ) Representative shall be an officer of the corporation and a member of the Executive, and shall:

- i) be the official liaison between the Chess Federation of Canada and FIDE;
- ii) be the FIDE Zone President for Canada
- iii) deal with matters relating to the FIDE Americas Continent;
- iv) if funding is available, at minimum, attend the annual FIDE Congresses;
- v) work with the Public Relations Coordinator in dealing with mainstream media on chess promotion as it relates to FIDE issues.

*Eric van Dusen:* This is a constitution amendment with voting on this motion governed by Bylaw #3 Section #3

***Motion 2010-12: (Moved/Seconded Eric Van Dusen / Maurice Smith) The Junior Participating Membership shall be stricken from the CFC Handbook.***

*Eric Van Dusen:* Rationale: The need for the Junior Participating Membership has disappeared since the CFC no longer publishes a hard-copy periodical that involved cost of printing and distribution.

**General Comments from Governors:** none received

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

**BALANCE SHEET  
AS AT JANUARY 31, 2010  
UNAUDITED**

	Jan 31st 2010	April 30th 2009
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CURRENT ASSETS		
Cash	\$ 18,987	\$ 70,404
Accounts receivable	2,238	2,321
In Trust with Foundation	65,809	-
Prepaid expenses	4,000	7,167
	<hr/>	<hr/>
	91,034	79,892
CAPITAL ASSETS	3,905	5,664
	<hr/>	<hr/>
	\$ 94,939	\$ 85,556
<hr/>		
CURRENT LIABILITIES		
Accounts payable	\$ 15,538	\$ 16,674
Chess Foundation - Deffered contribution	906	540
Deferred membership revenue	21,400	21,400
	<hr/>	<hr/>
	37,844	38,614
DEFERRED CONTRIBUTIONS	8,873	8,300
<hr/>		
EQUITY		
Opening balance	38,642	23,922
Net revenue (expenditure) for the year	9,580	14,720
	<hr/>	<hr/>
	48,222	38,642
	<hr/>	<hr/>
	\$ 94,939	\$ 85,556
<hr/>		

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

**STATEMENT OF REVENUE AND EXPENDITURE  
FOR 9 MONTHS ENDED JANUARY 31, 2010  
UNAUDITED**

	9 months 2010	12 months 2009
<b>REVENUE</b>		
Sales of books, equipment and software	\$ 15,532	\$ 66,054
Shipping and handling charges	-	2,535
Memberships	34,093	48,035
Contribution from Foundation	2,718	5,682
Rating fees	21,574	25,352
Donations	2,517	6,130
Other programs	59,078	75,964
Other revenue	223	19
	135,735	229,771
<b>EXPENDITURE</b>		
Cost of sales	12,604	52,373
General and administrative		
Salaries, benefits and staff travel	1,801	76,703
Administration services	31,726	-
Building and equipment expenses	-	11,435
Office	7,190	25,297
	40,717	113,435
Programs		
Publications/Webzine/E-newsletter	3,600	3,486
International	6,747	6,519
Contributions to clubs and affiliates	2,239	4,306
Contributions to Chess Foundation	1,170	1,440
Other programs	59,078	75,964
	72,834	91,715
	126,155	257,523
Revenue (expenditure) from normal operations	9,580	(27,752)
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>\$ 9,580</b>	<b>\$ 14,720</b>

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

NOTES TO FINANCIAL STATEMENTS  
JANUARY 31, 2010  
UNAUDITED

**DEFERRED CONTRIBUTIONS**

	Olympic Donations	Youth CC Program	Kalev Pugi Program	TOTAL
Balance - begin of year	\$ 1,945	\$ 4,772	\$ 1,583	\$ 8,300
Add: contributions	200	58,691	760	59,651
Less: recognized as revenue	-	(58,578)	(500)	(59,078)
Balance - end of year	\$ 2,145	\$ 4,885	\$ 1,843	\$ 8,873

**ANALYSIS OF MEMBERSHIP REVENUE**

	9 months 2010	12 months 2009
Annual memberships	\$ 30,029	\$ 40,761
Tournament memberships	2,894	3,734
Adjustment to deferred revenue	0	2,100
Life memberships	1,170	1,440
Membership revenue reported	<u>34,093</u>	<u>48,035</u>
Less: Foundation donation	1,170	1,440
Net membership revenue	<u>\$ 32,923</u>	<u>\$ 46,595</u>

***Motions for Final Vote:***

2010-01: Roles of Executive – ruled out of order, please do not vote on this motion!

2010-02: Junior Membership  
Vote YES NO ABSTAIN

2010-03: Governors at Large 1 (aka “Life Governors”)  
Vote YES NO ABSTAIN

2010-04: Governors at Large 2  
Vote YES NO ABSTAIN

**Motions for Second Discussion:**

2010-05: Governor Inactivity Rule

2010-06: CFC Membership Fees (discount for first-time members)

2010-07: CYCC Qualification Rules

**Motions for First Discussion:**

**Additional motions concerning role of Executive**

Motion # 2010-08 – New Section of Bylaw 3, Duties of Officers, Section 4 - President

Motion # 2010-09 – Amending Section 5 of Bylaw 3 – First Vice- President

Motion # 2010-10 – Amending Section 8 of Bylaw 3 – Treasurer

Motion # 2010-11 – New Section of Bylaw 3, Duties of Officers, Section 8D– FIDE Representative

Motion # 2010-12 – Abolition of the Junior Participating Membership class

(note – please vote ONLY on motions 2010-02 through 2010-04 – only these motions are up for vote in this Governors’ Letter)

**Deadline for submissions to GL#4 is Wednesday, February 24<sup>th</sup>, 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)**