

Scottish Sub-Aqua Club

Memorandum and Articles of Association

October 2006



Scottish Sub-Aqua Club
Caledonia House
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South Gyle
Edinburgh, EH12 9DQ
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MEMORANDUM OF ASSOCIATION OF THE SCOTTISH SUB-AQUA CLUB

1. The Company's name is "THE SCOTTISH SUB-AQUA CLUB"
2. The Company's registered office is to be situated in Scotland.
3. The Company's objects are:-
 - (i) To be the Governing Body in Scotland for the sport of Diving and related underwater recreations; to develop, promote and enhance facilities for participation in that sport; to provide services to individuals, clubs and other bodies with an interest in such sport; and for purposes connected therewith;

In furtherance of the above objects but not further or otherwise the Company shall have the following powers:-

- (ii)
 - (a) Subject to such consents as may be required by law, to borrow and raise money for the furtherance of the objects of the Company in such manner and on such security as the Company may think fit.
 - (b) To raise funds and to invite and receive contributions from any person or persons whatsoever by way of subscription, donation or otherwise provided that this shall be without prejudice to the ability of the Company to disclaim any gift, legacy or bequest in whole or in part in such circumstances as the Company may think fit.
 - (c) To lend money and give credit to, to take security for such loans or credit from, and to guarantee and become or give security for the performance of contracts and obligations by, any person or company.
 - (d) To draw, make, accept, indorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, and other negotiable, transferable, or mercantile instruments.
 - (e) To subscribe for either absolutely or conditionally or otherwise acquire and hold shares, stocks, debentures, debenture stock or other securities or obligations of any other company.
 - (f) To invest the moneys of the Company not immediately required for the furtherance of its objects in or upon such investments, securities or property as may be thought fit.
 - (g) To purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges and to construct, maintain and alter any buildings or erections which the Company may think necessary for the promotion of its objects.
 - (h) To sell, let, mortgage, dispose of or turn to account all or any of the property or assets of the Company with a view to the furtherance of its objects.

(i) Subject to Clause 4 hereof to employ and pay such architects, surveyors, solicitors and other professional persons, workmen, clerks and other staff as are necessary for the furtherance of the objects of the Company.

(j) To make all reasonable and necessary provision for the payment of pensions and superannuation to or on behalf of employees and their widows and other dependants.

(k) To make payments towards insurance for any Director, officer or Auditor against any liability as is referred to in Section 310(1) of the Act.

(l) To subscribe to, become a member of, or amalgamate or co-operate with any other organisation, institution, society or body not formed or established for purposes of profit (whether incorporated or not and whether in the United Kingdom or not) whose objects are wholly or in part similar to those of the Company and which by its constitution prohibits the distribution of its income and property amongst its members to an extent at least as great as is imposed on the Company under or by virtue of Clause 4 hereof and to purchase or otherwise acquire and undertake all such part of the property, assets, liabilities and engagements as may lawfully be acquired or undertaken by the Company of any such organisation, institution, society or body.

(m) To establish and support or aid the establishment and support of any trusts, associations or institutions and to subscribe or guarantee money for purposes in any way connected with or calculated to further any of the objects of the Company.

(n) To do all or any of the things hereinbefore authorised either alone or in conjunction with any other organisation, institution, society or body with which this Company is authorised to amalgamate.

(o) To pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company.

(p) To do all such other lawful things as are necessary for the attainment of the above objects or any of them.

Provided that:-

(a) In case the Company shall take or hold any property which may be subject to any trusts, the Company shall only deal with or invest the same in such manner as allowed by law, having regard to such trusts.

(b) The objects of the Company shall not extend to the regulation of relations between workers and employers or organisations of workers and organisations of employers.

4. The income and property of the Company shall be applied solely towards the promotion of its objects as set forth in this Memorandum of Association and no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit, to members of the Company.

5. The liability of the members is limited.

6. Every member of the Company undertakes to contribute such amount as may be required (not exceeding £1) to the Company's assets if it should be wound up while he is a member, or within one year after he ceases to be a member, for payment of the Company's debts and liabilities contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.
7. If upon the winding-up or dissolution of the Company there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Company, but shall be given or transferred to some other institution or institutions having objects similar to the objects of the Company, and which shall prohibit the distribution of its or their income and property to an extent at least as great as is imposed on the Company under or by virtue of Clause 4 hereof, such institution or institutions to be determined by the members of the Company at or before the time of dissolution, and if and so far as effect cannot be given to such provision, then to the Scottish Sports Council or a similar body having the object of promoting the interests of sport in Scotland.

ARTICLES OF ASSOCIATION OF THE SCOTTISH SUB-AQUA CLUB

PRELIMINARY

1. (a) The regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985 No. 805) as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (SI 1985 No. 1052) and by the Companies Act 1985 (Electronic Communications) Order 2000 (SI 2000 No.3373) (such Table being hereinafter called "Table A") shall apply to the Company save in so far as they are excluded or varied hereby and such regulations (save as so excluded or varied) and the Articles hereinafter contained shall be the Regulations of the Company.

(b) In these Articles the expression "the Act" means the Companies Act 1985 but so that any reference in these Articles to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

(c) Clauses 2 to 35 inclusive, 82, 101, 102 to 108 inclusive, 110, 114, 116 and 117 of Table A shall not apply to the Company.

(d) In clause 1 of Table A the definition of "the holder" shall be omitted.

(e) In these Articles:-

the "Sport" shall mean the sport of Diving and related activities;

a "Branch" shall mean a Branch of the Club established pursuant to Article 22(a)(ii); and

the "Club" shall mean the Company.

the "Existing SSAC" shall mean the Scottish Sub-Aqua Club, an unincorporated association with similar objects to the Company.

MEMBERS

- 2.1 The subscribers to the Memorandum of Association of the Company and such other persons as are admitted to membership in accordance with the Articles shall be Members of the Company. No person shall be admitted a Member of the Company unless he is aged 15 or over and is either a member of the Existing SSAC or is approved by the Directors. Every person who wishes to become a Member shall deliver to the Company an application for membership in such form (subject to Article 2.2) as the Directors require executed by him.
- 2.2 The form of application for membership shall specify the Branch the applicant proposes to join and shall be accompanied by a letter (in a form acceptable to the Directors) from a responsible person who is a member of that Branch confirming that the applicant is a suitable person to be admitted as a member of the Company.
- 3.1 A member of the Company may withdraw from the Company on giving not less than seven days clear notice to the Company. Membership shall not be transferable.
- 3.2 The Directors may at any time remove from membership of the Company any person upon the Directors being satisfied that he is no longer fit and proper to be a member of the Company.
- 3.3 A member who withdraws or who is removed pursuant to Articles 3.1 or 3.2 shall remain liable for any unpaid subscriptions and other payments due and payable on the date his withdrawal or removal becomes effective.
- 3.4 The Directors may (on terms prescribed by the Directors) permit persons who are not members to receive some or all of this privileges of membership save that such persons shall not be entitled to receive notice of, attend or vote at any general meeting of the Company. Such persons shall be liable to pay the appropriate subscription determined by the Directors in accordance with Article 22. Access to such privileges shall be at the discretion of the Directors, who may terminate such facility at any time and at their unfettered discretion, and in such event the person concerned shall remain liable for any unpaid subscriptions and other payments due and payable at that time.
- 3.5 The Directors may enrol as Honorary Members of the Company any person who in the opinion of the Directors has given distinguished service to the Sport. The Directors shall also have the power to enrol as honorary annual or life members those persons who have paid or agreed to pay such life or annual subscription to the Company as the Directors may determine. Individuals enrolled as honorary members in any of the categories specified in this Article shall not by virtue of such enrolment have any liability to pay subscriptions, levies or other sums due to the Company, nor shall they have any right to receive notice of, attend or vote at general meetings of the Company. The Directors shall also have the power, at their unfettered discretion, to remove from the roll of honorary members any person at any time.

NOTICE OF GENERAL MEETING

4. In clause 38 of Table A:-
 - (a) In paragraph (b) the words "of the total voting rights at the meeting of all the Members" shall be substituted for "in nominal value of the shares giving that right" and
 - (b) The words "The notice shall be given to all the Members and to the Directors and Auditors" shall be substituted for the last sentence.
 - (c) The following shall be added after the words "shall specify the meeting as such":- "Provided that the notice shall contain particulars of any Directors who are to retire by rotation or otherwise at the meeting and of any persons who are to be proposed for appointment or re-appointment as Directors at the meeting."

PROCEEDINGS AT GENERAL MEETINGS

5. (a) No business shall be transacted at any general meeting unless a quorum is present. Ten persons entitled to vote upon the business to be transacted shall be a quorum.
 - (b) Clause 40 of Table A shall not apply to the Company.
6. (a) If a quorum is not present within half an hour from the time appointed for a meeting, or if during a meeting such a quorum ceases to be present, the meeting if convened on the requisition of members shall be dissolved; in any other case it shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Directors may determine.
 - (b) Clause 41 of Table A shall not apply to the Company.
7. Clause 44 of Table A shall not apply to the Company..
8. In clause 45 of Table A the second and third sentences shall be omitted and the following words substituted therefor:-

"When a meeting is adjourned for twenty-one days or more at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting. The provisions of clause 38 of Table A (as amended by these Articles) with respect to the notice to be given of the business to be conducted at a meeting shall apply to such notice of an adjourned meeting. Save as aforesaid it shall not be necessary to give any notice of an adjourned meeting".
9. Paragraph (d) of clause 46 of Table A shall be omitted.

VOTES OF MEMBERS

10. (a) On a show of hands or on a poll every Member present in person shall have one vote.
 - (b) Clauses 54, 55, 57 and 59 to 63 inclusive of Table A shall not apply to the Company.

APPOINTMENT OF DIRECTORS

11. (a) The Company shall have a maximum of nine Directors, namely the Chairman, Treasurer, National Diving Officer, Secretary and up to five other directors.
 - (b) Clause 64 of Table A shall not apply to the Company.
 - (c) The Chairman, Treasurer, National Diving Officer and Secretary shall be appointed or re-appointed to each such office separately, whether by the Company in general meeting or by the directors, and Clauses 73 to 80 inclusive of Table A shall be construed accordingly.
 - (d) Clause 79 of Table A shall be amended by inserting after "vacancy" in the first sentence "(including a vacancy in the office of Chairman, Treasurer, National Diving Officer or Secretary)".
12. Clauses 65 to 69 inclusive of Table A (alternate Directors) shall not apply to the Company. The clauses of Table A which apply to the Company shall be construed as if reference to alternate Directors were omitted therefrom.
13. (a) The words "stating the particulars which would, if he were so appointed or re-appointed, be required to be included in the Company's register of directors" shall be omitted from clause 76 of Table A.
 - (b) The second sentence of clause 77 of Table A shall be omitted.

DIRECTORS' REMUNERATION AND EXPENSES, GRATUITIES AND PENSIONS

14. (a) The Directors may receive remuneration for services to the Company, provided always that:-
 - (i) Such remuneration is authorised by the Directors;
 - (ii) Such remuneration is within the limits imposed by Article 23(b)(i) below;
 - (iii) Any Director whose actual or proposed remuneration is to be discussed withdraws from the meeting of the Directors whilst that discussion and any decision thereon takes place.
- (b) The words "of any class of shares or" shall be omitted from clause 83 of Table A.
- (c) The words "or with any body corporate which is or has been a subsidiary of the Company or a predecessor in business of the Company or of any such subsidiary" shall be omitted from clause 87 of Table A.

PROCEEDINGS OF DIRECTORS

15. (a) The quorum for the transaction of the business of the directors shall be five. Clause 89 of Table A shall not apply to the Company.
- (b) Clause 91 of Table A shall be amended by deleting the first sentence and substituting:-
- “The Chairman of the board of directors shall be the person (if any) elected or appointed to that office pursuant to the Articles of Association of the Company.”
16. (a) A Director may vote at any meeting of the Directors or of any Committee of the Directors on any resolution notwithstanding that it in any way concerns or relates to a matter in which he has directly or indirectly any kind of interest whatsoever and if he shall vote on any such resolution as aforesaid his vote shall be counted; and in relation to any such resolution as aforesaid he shall (whether or not he shall vote on the same) be taken into account in calculating the quorum present at the meeting, PROVIDED THAT a Director shall not vote on either his conditions of service, or on the remuneration attaching thereto.
- (b) Clauses 94 to 97 (inclusive) of Table A shall not apply to the Company.

MINUTES

17. The words “holders of any class of shares in” shall be deleted from clause 100 of Table A.

NOTICES

18. The second sentence of clause 112 of Table A shall be omitted.
19. The words “holders of any class of shares in” shall be deleted from clause 113 of Table A.

THE SEAL

20. If the Company has a seal the Directors shall provide for its safe custody and it shall only be used with the authority of the Directors or of a committee of Directors. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Secretary or a second Director. Clause 101 in Table A shall not apply to the Company.

INDEMNITY

21. (a) Every Director or other officer of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto including any liability incurred by him in defending any proceedings, whether civil or criminal, or in connection with any application under Section 727 of the Act in which relief is granted to him by the Court, and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. But this Article shall only have effect in so far as its provisions are not avoided by Section 310 of the Act.

(b) The Directors shall have power to purchase and maintain for any Director, officer or Auditor of the Company insurance against any such liability as is referred to in Section 310(1) of the Act.

(c) Clause 118 of Table A shall not apply to the Company.

RULES OR BYE LAWS

22. (a) The Directors may from time to time make such Rules or Bye Laws as they may deem necessary or expedient or convenient for the proper conduct and management of the Company and for the purposes of prescribing the classes of and conditions of membership, and in particular but without prejudice to the generality of the foregoing, they shall by such Rules or Bye Laws regulate:-

(i) The admission of Members of the Company and of other persons (not being Members) entitled to certain of the privileges of membership (other than the right to receive notice of or attend and vote at any general meeting of the Company), and the rights and privileges of such other persons' fees, subscriptions and other fees or payments to be made by Members and such other persons.

(ii) The establishment of Branches of the membership and the conduct of the affairs of each Branch.

(iii) The conduct of Members of the Company in relation to one another, to the Company's servants, members of the public and to other bodies and institutions.

(iv) The setting aside of the whole or any part or parts of the Company's premises at any particular time or times or for any particular purpose or purposes.

(v) The procedure at General Meetings and meetings of the Directors and Committees of the Company and of Branches in so far as such procedure is not regulated by these presents.

(vi) And, generally, all such matters as are commonly the subject matter of company rules or the rules of governing bodies of sport.

The Company in General Meeting shall have power to alter or repeal any or all of the Rules or Bye Laws and to make additions thereto

(b) The Directors shall adopt such means as they deem sufficient to bring to the notice of Members of the Company all Rules or Bye Laws of the Company, which so long as they shall be in force, shall be binding on all Members of the Company. Provided, nevertheless, that no Rule or Bye Law shall be inconsistent with, or shall affect or repeal anything contained in, the Memorandum or Articles of Association of the Company.

COMPANY NOT FORMED FOR PROFIT

23. (a) Clauses 4 and 7 of the Memorandum of Association relating to the income and property of the Company and to the winding up and dissolution of the Company shall have effect as if the provisions thereof were repeated in these Articles.
- (b) Nothing herein shall prevent any payment in good faith by the Company;-
- (i) of reasonable and proper remuneration to any member, officer or employee of the Company (including any Director) for any services rendered to the Company, provided always that, in the case of a Director, such remuneration is in accordance with Article 14(a) above and is not for services solely rendered to the Company in the capacity of Director;
 - (ii) of reasonable and proper consideration for the purchase by the Company of any property, asset or interest therein from any member, Director or employee of the Company;
 - (iii) of interest on money lent by any member, Director or employee of the Company at a reasonable and proper rate per annum;
 - (iv) of reasonable and proper rent or other periodic payment for property let or occupied by the Company to any member, Director or employee of the Company, or
 - (v) to any Director of reasonable out-of-pocket expenses.

BORROWING POWERS

24. The Directors may exercise all the powers of the Company to borrow money and to grant security therefore, PROVIDED that the amount of money borrowed shall not, at any time, exceed the sum of £10,000 (excluding interest charges and penalties, if any) or such larger sum as may be approved by the company in general meeting.

(Statutory Instrument of 1985 No 805 as amended by SI 1985 No 1052 and by SI 2000 No 3373)

TABLE A

REGULATIONS FOR MANAGEMENT OF A COMPANY LIMITED BY SHARES

INTERPRETATION

1. In these regulations

“the Act” means the Companies act 1985 including any statutory modification or re-enactment thereof for the time being in force.

“the articles” means the articles of the company.

“clear days” in relation to the period of notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.

“communication” means the same as in the Electronic communications Act 2000.

“electronic communication” means the same as in the Electronic communications Act 2000.

“executed” includes any mode of execution.

“office” means the registered office of the company.

“the seal” means the common seal of the company.

“secretary” means the secretary of the company or any other person appointed to perform the duties of the secretary of the company, including a joint, assistant or deputy secretary.

“the United Kingdom” means Great Britain and Northern Ireland.

Unless the context otherwise requires words or expressions contained in these regulations bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these regulations become binding on the company.

GENERAL MEETINGS

36. All general meetings other than annual general meetings shall be called extraordinary general meetings.

37. The directors may call general meetings and, on the requisition of members pursuant to the provisions of the Acts, shall forthwith proceed to convene an extraordinary general meeting for a date not later than eight

weeks after receipt of the requisition. If there are not within the United Kingdom sufficient directors to call a general meeting any director or any member of the company may call a general meeting.

NOTICE OF GENERAL MEETINGS

38. An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or a resolution appointing a person as a director shall be called by at least twenty-one clear days' notice. All other extraordinary general meetings shall be called by at least fourteen days' notice but a general meeting may be called by shorter notice if it is so agreed:

- a) In the case of an annual general meeting, by all members entitled to attend and vote thereat; and
- b) In the case of any other meeting by a majority in number of the members having a right to attend and vote being a majority together holding not less than ninety-five per cent of the total voting rights at the meeting of all the members.

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such. Provided that the notice shall contain particulars of any directors who are to retire by rotation or otherwise at the meeting and of any persons who are to be proposed for appointment or re-appointment as directors at the meeting.

The notice shall be given to all the members and to the directors and auditors.

39. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

42. The chairman, if any, of the board of directors or in his absence some other director nominated by the directors shall preside as chairman of the meeting, but if neither the chairman nor such other director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he shall be chairman.

If no director is willing to act as chairman, or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.

45. The chairman may, with the consent of the meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for twenty-one days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting. The provision of clause 38 of Table A (as amended by these articles) with respect to the notice to be given of the business to be conducted at a meeting

shall apply to such notice of an adjourned meeting. Save as aforesaid it shall not be necessary to give any notice of an adjourned meeting.

46. A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:

- a) By the chairman; or
- b) By at least two members having the right to vote at the meeting; or
- c) By a member or members representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting.

47. Unless a poll is duly demanded a declaration by the chairman that a resolution had been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

48. The demand for a poll may be, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

49. A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

50. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.

51. A poll demanded on the election of a chairman on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

52. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

53. A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general

meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members.

VOTES OF MEMBERS

56. A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person, may on a poll, vote by proxy. Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with the articles for the deposit of instruments of proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.

58. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.

POWER OF DIRECTORS

70. Subject to the provisions of the Acts, the memorandum and the articles and to any direction given by special resolution, the business of the company shall be managed by the directors who may exercise all the powers of the company. No alteration of the memorandum or articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this regulation shall not be limited by any special power given to the directors by the articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.

71. The directors may, by power of attorney or otherwise, appoint any person to be the agent of the company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

DELEGATION OF DIRECTORS POWERS

72. The directors may delegate any of their powers to any committee consisting of one or more directors. They may also delegate to any managing director or any director holding any other executive office such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with

two or more members shall be governed by the articles regulating the proceedings of director so far as they are capable of applying.

APPOINTMENT AND RETIREMENT OF DIRECTORS

73. At the first annual general meeting all the directors shall retire from office, and at every subsequent annual general meeting one-third of the directors who are subject to retirement by rotation or, if their number is not three but a multiple of three, the number nearest to one-third shall retire from office; but; if there is only one director who is subject to retirement by rotation, he shall retire.

74. Subject to the provisions of the Act, the directors to retire by rotation shall be those who have been longest in office since their last appointment or re-appointment, but as between persons who became or were last re-appointed directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

75. If the company, at the meeting at which a director retires by rotation, does not fill the vacancy the retiring director shall, if he is willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the re-appointment of the director is put to the meeting and lost.

76. No person other than a director retiring by rotation shall be appointed or re-appointed a director at any general meeting unless:

- a) He is recommended by the directors; or
- b) Not less than fourteen nor more than thirty-five clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the company of the intention to propose that person for appointment or reappointment together with notice executed by that person of his willingness to be appointed or re-appointed.

77. Not less than seven nor more than twenty-eight clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person (other than a director retiring by rotation at the meeting) who is recommended by the directors for appointment or re-appointment as a director at the meeting of in respect of whom notice has been duly given to the company of he intention to propose him at the meeting for appointment or re-appointment as a director.

78. Subject as aforesaid, the company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director and may also determine the rotation in which any additional directors are to retire.

79. The directors may appoint a person who is willing to act to be a director, either to fill a vacancy (including a vacancy in the office of Chairman, Treasurer, National Diving Officer or Secretary) or as an additional director, provided that the appointment does not cause the number of directors to

exceed any number fixed by or in accordance with the articles as the maximum number of directors. A director so appointed shall hold office only until the next following annual general meeting and shall not be taken into account in determining the directors who are to retire by rotation at the meeting. If not re-appointed at such annual general meeting, he shall vacate office at the conclusion thereof.

80. Subject as aforesaid, a director who retires at an annual general meeting may, if willing to act, be re-appointed. If he is not re-appointed he shall retain office until the meeting appoints someone in his place, or if it does not do so, until the end of the meeting.

DISQUALIFICATION AND REMOVAL OF DIRECTORS

81. The office of a director shall be vacated if:

- a) He ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or
- b) He becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- c) He is, or may be, suffering from mental disorder and either:
 - i. He is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or
 - ii. An order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
- d) He resigns his office by notice to the company; or
- e) He shall for more than six consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated.

DIRECTORS' EXPENSES

83. The directors may be paid all travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meeting of directors or committees of directors or general meeting or separate meetings of the holders of debentures of the company or otherwise in connection with the discharge of their duties.

DIRECTORS' APPOINTMENTS AND INTERESTS

84. Subject to the provisions of the Act, the directors may appoint one or more of their company to the office of managing director or to any other executive office under the company may enter into an agreement or arrangement with any director for his employment by the company for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made upon such terms as

the directors determine and they may remunerate any such director for his services as they think fit. Any appointment of a director to an executive office shall terminate if he ceases to be a director but without prejudice to any claim to damages for breach of the contract of service between the director and the company. A managing director and a director holding any other executive office shall not be subject to retirement by rotation.

85. Subject to the provisions of the Act, and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office:

- a) May be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise interested;
- b) May be a director or other officer of, or employed by, or party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the company or in which the company is otherwise interested; and
- c) Shall not, by reason of his office, be accountable to the company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

86. For the purposes of regulation 85:

- a) A general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified; and
- b) An interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

DIRECTORS' GRATUITIES AND PENSIONS

87. The company may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any director who has held but no longer holds any executive office or employment with the company and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

PROCEEDINGS OF DIRECTORS

88. Subject to the provisions of the articles, the directors may regulate their proceedings as they think fit. A director may, and the secretary at the request of a director shall, call a meeting of the directors. It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom.

Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote. A director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.

90. The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but, if the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or calling a general meeting.

91. The Chairman of the board of directors shall be the person (if any) elected or appointed to that office pursuant to the Articles of Association of the Company. But if there is no director holding that office, or if the director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting.

92. All acts done by a meeting of directors, or of a committee of directors, or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.

93. A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held and may consist of several documents in the like form each signed by one or more directors; but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity.

98. If a question arises at a meeting of directors or of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any director other than himself shall be final and conclusive.

SECRETARY

99. Subject to the provisions of the Act, the secretary shall be appointed by the directors for such term, as such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.

MINUTES

The directors shall cause minutes to be made in books kept for the purpose.

- a) Of all appointments of officers made by the directors; and
- b) Of all proceedings at meetings of the company, and of the directors, and of committees of directors, including the names of the directors present at each such meeting.

ACCOUNTS

109. No member shall (as such) have any right of inspecting any accounting records or other book or document of the company except as conferred by statute or authorised by the directors or by ordinary resolution of the company.

NOTICES

111. Any notice to be given pursuant to or by any person pursuant to the articles (other than a notice calling a meeting of the directors) shall be in writing or shall be given using electronic communications to an address for the time being notified for that purpose to the person giving the notice. In this regulation "address", in relation to electronic communications, includes any number or address used for the purposes of such communications.

112. The company may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address or by giving it using electronic communications to an address for the time being notified to the company by the member. A member whose registered address is not within the United Kingdom and who gives to the company an address within the United Kingdom at which notices may be given to him, or an address to which notices may be sent using electronic communications shall be entitled to receive any notice from the company. In this regulation and the next "address", in relation to electronic communications includes any number or address used for the purpose of such communications.

113. A member present, either in person or by proxy, at any meeting of the company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

115. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. Proof that a notice contained in an electronic communications was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted, or in the case of a notice contained in an electronic communication, at the expiration of 48 hours after the time it was sent.