

THE SCOTTISH SUB AQUA CLUB
Company No. SC313935
ANNUAL GENERAL MEETING

At the Annual General Meeting of The Scottish Sub Aqua Club ("the Company") held at Caledonia House on the 22nd of September 2010 at 7.00am/pm the following resolution was passed as Special Resolution of the Company as detailed below.

SPECIAL RESOLUTION

- 1 That the existing Articles of Association of the Company be deleted and the regulations produced to the meeting titled 'New Articles of Association' and for identification purposes signed by the Company Secretary be adopted as the new Articles of Association of the Company with immediate effect.



Company Secretary

ARTICLES OF ASSOCIATION OF THE SCOTTISH SUB-AQUA CLUB

**Adopted by Special Resolution
on 22 September 2010**

1. PRELIMINARY

1.1 In these Articles:-

"the Act" means the Companies Act 2006 as amended and every statutory modification or re-enactment thereof for the time being in force;

"Articles" means these Articles of Association or any Article thereof of the Company for the time being in force;

a "Branch" shall mean a Branch of the Company established pursuant to these Articles and the Bye-laws;

the "Company" shall mean The Scottish Sub-Aqua Club, a company incorporated in Scotland under the Companies Acts (Company Number: SC313935);

"Member" means all persons admitted to membership of the Company in accordance with these Articles, the Bye-laws and any other Rules;

"Model Articles" means the model articles for private companies limited by guarantee contained in Schedule 2 of the Companies (Model Articles) Regulation 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles;

"Person" means a Member or any office bearer, official, employee, contractor, any member of a Branch Committee, any Branch, worker, coach, volunteer or representative affiliated to a Member, the Company or the Sport;

"Rules" means any rules, Bye Laws, codes of conduct, disciplinary rules or any other rules of any kind adopted by the Board and published by the Company as binding on the membership;

"Voting Member" means all Members entitled to vote at General Meetings of the Company as set out in the Bye-laws and which as at the date of adoption of these Articles comprises Ordinary Members, Junior Members, Associate Members, Joint Members, Family Members, Student Members and ScotSAC Direct Members as more particularly described in the Bye-laws;

"Non-Voting Members" means all Members who are admitted to membership of the Company but who are not entitled to vote at General Meetings of the Company as set out in the Bye-laws and which as at the date of adoption of these Articles comprises Snorkel Members and Junior Snorkel Members as

These are the
Articles referred to in
the Special
Resolution of the
Company dated 22
September 2010

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Secretary, for and on
behalf of The
Scottish Sub-Aqua
Club

more particularly described in the Bye-laws and any honorary members admitted to membership under Article 2.5; and

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

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have a particular meaning in the Model Articles shall have the same meaning in these Articles, subject to which and unless the context otherwise requires, words and expressions which have a particular meaning in the Act shall have the same meaning in these Articles.
- 1.3 The Model Articles shall apply to the Company, except insofar as they are modified or excluded by these Articles. In the event of conflict or inconsistency between these Articles and the Model Articles, these Articles shall govern and prevail.
- 1.4 Any reference in these Articles to the Company Secretary shall, in the event that no Company Secretary is appointed, be deemed to refer to the Board of Directors.
- 1.5 Unless the context otherwise requires the masculine shall include the feminine and the feminine shall include the masculine.

2. 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 14 or over and 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 (whether online or in hard copy format), subject to Article 2.2, as the Directors require executed by him.
- 2.2 The form of application for membership (which shall, once completed, be forwarded to the Secretary for consideration by the Directors) 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.
- 2.3 The admission of Members and annual renewal of membership shall be determined by the Board who shall have the power to grant or refuse admission to each category of membership or renewal of the membership of any Member on such terms as the Board may from time to time determine. Membership shall be open to all and no application for membership or renewal of membership will be refused other than on reasonable grounds (which shall, for the avoidance of doubt, include refusal by the Board on medical grounds on the advice of any medical referee of the Company). For the avoidance of doubt, admission as a Member will not be granted until after receipt by the Company of the appropriate annual subscription. The Company is committed to ensuring equality of opportunity and fair treatment of all people involved with the Company, regardless of gender, pregnancy and maternity, gender reassignment, disability, race (including ethnic background, nationality and colour), marital or civil partnership status, age, sexual orientation, religion or belief, or social background and there will be no discrimination on such grounds.

2.4 The Membership of the Company shall be made up of Voting Members and Non-Voting Members, such categories of membership (and the criteria for each type of membership) being determined by the Directors in accordance with the Bye-laws. Only Voting Members shall be liable for the guarantee set out in the Memorandum of Association of the Company.

2.5 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. Individuals enrolled as honorary Members 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.

3. REMOVAL OF MEMBERS AND ADHERENCE TO THE RULES

3.1 A Member of the Company may withdraw from membership of the Company on giving not less than seven days clear notice to the Company. Membership shall not be transferable and the rights and privileges of membership of the Company shall cease on any person ceasing to be a Member for whatever reason. Clause 22 of the Model Articles shall be modified accordingly.

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 or if such Member fails to pay his subscription or registration fees by the due date or otherwise in accordance with the Rules.

3.3 A Member who withdraws or who is removed pursuant to Articles 3.1 or 3.2 or under the terms of the Rules shall remain liable for any unpaid subscriptions and other payments due and payable on the date his withdrawal or removal becomes effective.

3.4 Each Member and Person shall abide by these Articles of Association and all Rules. In becoming a Member of the Company each Member agrees that he shall be deemed to be and be in fact bound by the Rules. All Members shall be required to co-operate in the enforcement of the Rules and to adhere to the Rules. For the avoidance of doubt any club or Persons involved in the Sport which or who is not a Member shall be recognised as being indirectly affiliated to the Company and will thus be deemed to accept the Rules. Any failure by any such Member or Person to comply with this Article 3.4 will render such Member or Person to be subject to discipline in terms of the Rules of the Company.

4. NOTICE OF GENERAL MEETING

Notice of the Annual General Meeting shall include the date, time and place of the meeting, details of any person recommended by the Board or nominated by the Members to sit on the Board (including any Director who will stand for re-election) and any resolution proposed and shall be sent to all Voting Members. The notice calling the Annual General Meeting shall be accompanied by such written reports and other documents (including a copy of the accounts of the Company) as may be relevant to the proposed business of the Annual General Meeting.

5. GENERAL MEETINGS

- 5.1 The Annual General Meeting of the Company shall be held not earlier than 22 August and prior to the 31st October in each year.
- 5.2 The Board may whenever they think fit convene a General Meeting. General Meetings shall be convened on such requisition by the Board or may be requisitioned by the Voting Members in accordance with the Act.
- 5.3 Resolutions to be considered at the AGM shall be notified to the Secretary not later than 31 July in each year and shall be included in the notice of the meeting.
- 5.4 Nominations by Members for directors and members of the National Diving Council must be lodged with the Company Secretary not later than 31 July in each year and shall be made in accordance with the provisions of the Bye-laws.
- 5.5 The business of the Annual General Meeting shall include:
 - 5.5.1 The approval of the Minutes of the previous Annual General Meeting and of any subsequent General Meetings;
 - 5.5.2 The report on the Accounts of the previous year;
 - 5.5.3 Reports from the Directors (as the Directors deem appropriate);
 - 5.5.4 The election of Directors and the National Diving Council;
 - 5.5.5 The election of the person(s) responsible for certifying the Accounts;
 - 5.5.6 The fixing of the fees and subscriptions for the ensuing year; and
 - 5.5.7 Any resolutions of which formal notice has been given.
- 5.6 The annual subscription fees due by Members to the Company shall be fixed annually at the Annual General Meeting but such subscription fees shall continue at the rates previously fixed unless amended at the Annual General Meeting.
- 5.7 The Annual General Meeting shall (subject to Article 8) elect Directors from nominations received in terms of Article 8.2 and the Bye-laws. The Board shall determine (at a meeting of the Board following the AGM) the specific areas of responsibility of each Director from time to time taking into account the skills, knowledge and experience of each Director and the requirements of the Company. Each Director shall hold appropriate qualifications or skills to carry out their role on the Board.

6. PROCEEDINGS AT GENERAL MEETINGS

- 6.1 The Board shall ensure that not less than 21 clear days' notice in writing of every Annual General Meeting and of every General Meeting convened shall be given to all Voting Members. The accidental omission to give notice of a General Meeting to or the non receipt of such notice by a Member entitled to receive notice hereof shall not invalidate any resolution passed at any proceedings of any General Meeting.

- 6.2. No business shall be transacted at any general meeting of the Company (including the Annual General Meeting) unless a quorum is present. Ten Voting Members present in person or by proxy shall be a quorum.
- 6.3 All Voting Members shall be entitled to appoint a proxy to attend, speak and vote at General Meetings in accordance with the provisions of the Act. The proxy form shall be signed by or on behalf of the Member or by a duly authorised representative and shall be in the form sent to the Members with the notice of the General Meeting or in any other form approved by the Board. The appointment of a proxy and any authority under which it is signed (in a manner approved by the Board) shall:
- 6.3.1 in the case of a written document be deposited at the registered office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting; or
- 6.3.2 in the case of an appointment contained in an electronic communication, where an address has been specified for the purpose of receiving electronic communications: (i) in the notice convening the meeting; (ii) or in any instrument of proxy sent out by the Company in relation to the meeting; (iii) or in any invitation contained in an electronic communication to appoint a proxy issued by the Company in relation to the meetings, be received at such address not less than 48 hours before the time for holding the meeting or adjourned meeting.

7. VOTES OF MEMBERS

- 7.1. On a show of hands or on a poll every Voting Member present in person or by proxy shall have one vote at General Meetings of the Company. All Voting Members shall be entitled to attend, speak and vote (in accordance with this Article 7) at General Meetings of the Company. Non-Voting Members shall have no voting rights at General Meetings of the Company or otherwise. No Non-Voting Member shall be entitled to attend, speak or vote at any General Meeting of the Company unless as a proxy of a Voting Member.
- 7.2 No Member shall vote at any General Meeting or otherwise unless all monies due and payable by that Member to the Company have been paid.
- 7.3 The Chairman shall not have a casting vote at General Meetings of the Company.

8. APPOINTMENT OF DIRECTORS

- 8.1. The affairs of the Company shall be under the management of the Board of Directors. The Company shall have a maximum of nine Directors and a minimum of four directors unless otherwise determined by ordinary resolution. The Board shall consist of a Chairman, Treasurer, National Diving Officer, Secretary and up to five other directors.
- 8.2 No person (other than a Director standing for re-election) shall be appointed at a General Meeting unless:
- 8.2.1 he is recommended by the Directors; or

8.2.2 he has been nominated in accordance with Article 5.4 and the Bye-laws.

All directors shall, subject to Article 5.7 and 8.3, be elected at the Annual General Meeting of the Company.

8.3 Any vacancy occurring at any time on the Board (including a vacancy in the office of Chairman, Treasurer, National Diving Officer or Secretary) may be filled by the co-option of a Director at the discretion of the remaining Directors having regard to maintaining a proper skills, knowledge and representation balance on the Board. In the event of the Board co-opting any director, the individual co-opted may continue in office until the next Annual General Meeting when they may be re-appointed (but shall, for the avoidance of doubt, stand against any other person nominated for election as director).

8.4 All Directors shall hold office for a period of three years from their appointment at the Annual General Meeting (or re-appointment at the Annual General Meeting in the case of co-opted Directors) whereupon they will be eligible for re-election (but shall, for the avoidance of doubt, stand against any other person nominated for election as director).

9. ALTERNATE DIRECTORS

The Directors of the Company shall not be entitled to appoint alternate directors and the Model Articles shall be construed accordingly.

10. DIRECTORS' REMUNERATION

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 16.2 (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 and complies with the provisions of the Act and these Articles in relation to any conflict of interest.

11. PROCEEDINGS OF DIRECTORS

11..1 The quorum for the transaction of the business of the directors shall be five. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting a quorum ceases to be present, the meeting shall stand adjourned to a date within the following 14 days, provided there are no changes to the agenda, at the same time and place, when the directors present will constitute a quorum. Each Director shall have one vote at Board Meetings. In the case of an equality of votes at Board Meetings the Chairman shall have a casting vote. The Directors shall hold at least 4 Board Meetings in each year.

11.2 A Director may participate in a meeting of the Board by means of video conferencing, conference telephone or similar communications equipment whereby all the members of the Board participating in the meeting can hear each other and the members of the Board participating in a meeting

in this manner shall be deemed to be present in person at such meeting for the purpose of Article 11.1 herein.

- 11.3 Save as otherwise provided, the Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Notice for meetings of the Board along with a full agenda of the business to be transacted and copies of all minutes to be submitted for approval shall be sent to each Board member at least seven clear days prior to the meeting (except for urgent business where, with the prior approval of all Directors then in Scotland, including the Chairman, a Board meeting may be held on shorter notice). It shall nevertheless be competent where a decision is required on a matter in an emergency not covered by these Articles or the Bye-Laws and before a meeting can or need be arranged for such a matter to be determined by the Chairman in consultation with three other directors. It shall be the responsibility of the Chairman to ensure that the full Board is notified as soon as possible after any such emergency action has been taken. Clause 9 of the Model Articles shall be modified accordingly

12. CONFLICT OF INTEREST

- 12.1 All members of the Board shall comply at all times with the provisions of the Act, the Model Articles and the Rules relating to conflicts of interests.

- 12.2 The Board may, in accordance with the requirements set out in this Article and the Act, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director breaching his duty under section 175 of the Act to avoid conflicts of interest and Clause 14 of the Model Articles shall be modified accordingly. Any authorisation given under this Article will be effective only if:

12.2.1 the matter in question shall have been proposed by any director for consideration at a meeting of the Board in the same way that any other matter may be proposed to the Board under the provisions of these Articles or in such other manner as the Board may determine;

12.2.2 any requirement as to the quorum at the meeting of the Board at which the matter is considered is met without counting the director in question; and

12.2.3 the matter was agreed to without his voting or would have been agreed to if his vote had not been counted.

13. NOTICES

- 13.1 A notice or other document may be given by the Company to any Member in writing either: personally or by sending it by pre-paid post to its registered address (supplied by it to the Company for the giving of notice to it); or a notice or other document excluding a share certificate may be given by the Company to any Member by fax at the last fax number notified to the Company (but in the absence of such address or telefax number the Member shall not be entitled to receive from the Company notice of any meeting); by a website the address of which shall be notified to the Member in writing or by electronic mail to an address notified by the Member to the Company in writing. This Article does not affect any provision in the Act or these Articles requiring notices or documents to be delivered in a particular way.

- 13.2 If a notice or document is delivered by hand, it is treated as being delivered at the time it is handed to or left for the Member. A properly addressed notice or document sent by pre-paid post shall be deemed to have been given 48 hours after the date on which the notice is posted. A notice or document sent by fax shall be deemed to have been given 2 hours after the time of transmission. A notice or document (other than a share certificate) sent by electronic mail, shall be deemed to have been delivered at the time it was sent. A notice or document (other than a share certificate) sent by a website shall be deemed to have been delivered when the material was first made available on the website, or, if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.

For the avoidance of doubt a Member duly represented (whether in person or by proxy) at any General Meeting of the Company shall be deemed to have received notice of the meeting and where appropriate of the purpose for which it was called.

14. INDEMNITY

- 14.1 Subject to the provisions of the Act but without prejudice to any indemnity to which a person may otherwise be entitled, every Director or other officer of the Company shall be indemnified out of the assets of the Company against all losses, costs 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, (in which judgement is given in his favour or in which he is acquitted) or in connection with any application under Section 1157 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 1532 of the Act.

- 14.2 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.

15. RULES OR BYE LAWS

- 15.1 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;
 - (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 and disciplinary matters generally.
- (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.
- (vii) 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 by way of ordinary resolution.

15.2 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.

16. INCOME AND PROPERTY OF THE COMPANY

16.1 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.

16.2 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 10 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.

17. BORROWING POWERS

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.