



NOTE ON PROPOSED ALTERATIONS TO BYE-LAWS OF THE SCOTTISH SUB-AQUA CLUB (THE "COMPANY")

Introduction

The purpose of this note is to highlight the proposed changes to the current Bye-laws of the Company which have been proposed in order to ensure that the Bye-laws are up to date in terms of the manner in which the Company is run in practice.

Bye-law 4 – Closure of a Branch

4.3.3 The decision to close a Branch may be made by a two thirds majority vote at a Branch General Meeting or if the membership falls to such a level that the Directors of the Company deem it necessary or in accordance with the Articles. The decision to close a Branch should be communicated to the Directors who will be responsible for the orderly wind up of the Branch. Branch equipment and funds possessed by the said Branch at the time of its closure shall normally be held by the Directors in trust for any Branch that may be re-established in the area of the former Branch.

It is proposed that Byelaw 4.3.3 be amended in order to specify a time limit for holding branch funds. It is proposed that the following sentence be added to achieve this:

The distribution of all or part of such funds shall be at the discretion of the Directors and if no Branch is formed in the area within 12 months, the Directors may include such funds in the reserves of the Company for future use as deemed appropriate.