

Company Number: 09940129

**GENERAL NUCLEAR SYSTEM LIMITED
(the "Company")**

ARTICLES OF ASSOCIATION

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PART A

INTERPRETATION AND LIMITATION OF LIABILITY

1. EXCLUSION OF OTHER REGULATIONS AND DEFINED TERMS

- 1.1 No regulations or model articles contained in any statute or subordinate legislation including, without prejudice to such generality, the regulations contained in the Companies (Model Articles) Regulations 2008, shall apply as the articles of association of the Company.

- 1.2 In these Articles, unless the context requires otherwise:

"Articles" means the Company's Articles of Association;

"bankruptcy" includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

"Business" means the business of managing the GDA process;

"Business Day" means a day other than a Saturday, Sunday or other day on which banks are closed for business in the United Kingdom, France or China;

"Companies Acts" means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company;

"Company Secretary" means the company secretary of the Company from time to time;

"director" means a director appointed by the Majority Shareholder or a director appointed by the Minority Shareholder and includes any person occupying the position of director, by whatever name called;

"distribution recipient" has the meaning given in Article 31.2;

"document" includes, unless otherwise specified, any document sent or supplied in electronic form;

"electronic form" has the meaning given in section 1168 of the Companies Act 2006;

"fully paid" in relation to a share, means that the nominal value and any premium to be paid to the Company in respect of that share have been paid to the Company;

"GDA" means the Generic Design Assessment process used by the UK authorities at the date of these Articles to assess new nuclear power station designs in the United Kingdom, or such process(es) as may supersede it from time to time;

"group" means in relation to any undertaking, that undertaking and each of its parent undertakings for the time being together with each of their respective subsidiaries for the time being (excluding the Company);

"hard copy form" has the meaning given in section 1168 of the Companies Act 2006;

"holder" in relation to shares means the member whose name is entered in the register of members as the holder of the shares;

"instrument" means a document in hard copy form;

"Majority Shareholder" means the shareholder owning the majority of shares in the Company from time to time;

"Minority Shareholder" means the shareholding owning the minority of shares in the Company from time to time;

"ordinary resolution" has the meaning given in section 282 of the Companies Act 2006;

"paid" means paid or credited as paid;

"participate", in relation to a directors meeting, has the meaning given in Article 10.2;

"proxy notice" has the meaning given in Article 42.1;

"reserved matter" means any action which requires the unanimous approval of all the directors or all the shareholders (as applicable) of the Company;

"shareholder" means the Majority Shareholder or the Minority Shareholder;

"share" means an ordinary share of one pound sterling (£1.00) in the capital of the Company and subscribed for without any premium and any further ordinary shares in the capital of the Company issued by the Company from time to time;

"special resolution" has the meaning given in section 283 of the Companies Act 2006;

"subsidiary" means a subsidiary undertaking of the Company;

"unpaid" means not fully paid; and

"writing" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

1.3 Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Companies Act 2006 as in force on the date when these Articles become binding on the Company.

1.4 References to "includes" or "including" shall be construed without limitation.

2. **LIABILITY OF MEMBERS**

The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

PART B
DIRECTORS

3. DIRECTORS' GENERAL AUTHORITY

Subject to the Articles, the directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

4. SHAREHOLDERS' RESERVE POWER

4.1 Subject to the Articles, the shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.

4.2 No alteration of the Articles and no such special resolution invalidate anything which the directors have done before the alteration was made or the resolution was passed.

5. DIRECTORS MAY DELEGATE

5.1 Subject to the Articles, the directors may delegate any of the powers which are conferred on them under the Articles:

5.1.1 to such committee or such director holding executive office;

5.1.2 by such means (including by power of attorney);

5.1.3 to such an extent;

5.1.4 in relation to such matters or territories; and

5.1.5 on such terms and conditions;

as they think fit.

5.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

5.3 The directors may revoke any delegation in whole or part, or alter its terms and conditions.

6. COMMITTEES

6.1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by directors.

6.2 Committees to which the directors delegate any of their powers must consist of at least one director appointed by the Minority Shareholder or a committee member nominated for appointment by the Minority Shareholder and at least one director appointed by the Majority Shareholder or a committee member nominated for appointment by the Majority Shareholder.

7. DIRECTORS TO TAKE DECISIONS COLLECTIVELY

7.1 Save in respect of any reserved matter, the general rule about decision-making by directors is that any decision of the directors must be a decision of directors representing in aggregate more than fifty per cent (50%) of the shares for the time being in issue, except where another threshold is specified by these Articles or made by resolution at a meeting or otherwise agreed by the shareholders.

7.2 The directors appointed by the Majority Shareholders present at any Company board meeting (and, if there is more than one such directors appointed by the Majority Shareholder, those directors appointed by the Majority Shareholders together, with such votes being allocated between them as they agree with each other from time to time) shall have one (1) vote for each whole multiple of one per cent. (1%) of the Shares for the time being held in the Company by the Majority Shareholder.

7.3 The directors appointed by the Minority Shareholder present at any directors' meeting (and, if there is more than one such director appointed by the Minority Shareholder, the directors appointed by the Minority Shareholder together, with such votes being allocated between

them as they agree with each other from time to time) shall have one (1) vote for each whole multiple of one per cent. (1%) of the shares for the time being held in the Company by the Minority Shareholder.

8. DIRECTORS' WRITTEN RESOLUTIONS

- 8.1 Any director may propose a directors' written resolution by giving notice of the proposed resolution either to the Company Secretary, who will circulate the proposed written resolution to the other directors, or to each other director.
- 8.2 Notice of a proposed directors' written resolution must indicate:
- 8.2.1 the proposed resolution; and
 - 8.2.2 the time by which it is proposed that the directors should adopt it.
- 8.3 Any decision which a director giving notice of a proposed directors' written resolution takes regarding the process of adopting that resolution must be taken reasonably in good faith.
- 8.4 A proposed directors' written resolution is adopted when all the directors who would have been entitled to vote on the resolution at a directors' meeting have signed one or more copies of it (whether voting in favour of or against the proposal), provided that:
- 8.4.1 to be passed, a directors' written resolution shall only require the same majority to vote in favour of it as would otherwise be required to pass the resolution at a director's meeting in accordance with Article 7.1;
 - 8.4.2 subject to Article 8.4.3, if any director to whom the notice is provided by the Company Secretary does not respond to it (whether voting in favour of or against the proposal) within ten (10) Business Days after the date on which it was circulated by the Company Secretary, that director shall be deemed to have abstained from voting; and
 - 8.4.3 notwithstanding Article 8.4.2, no reserved matter may be passed by directors' written resolution unless all directors sign a copy of the written resolution to approve that reserved matter.
- 8.5 It is immaterial whether any director signs the resolution before or after the time by which the notice proposed that it should be adopted.
- 8.6 Once a directors' written resolution has been adopted it must be treated as if it had been a decision taken at a directors' meeting in accordance with the Articles.

9. CALLING A DIRECTORS' MEETING

- 9.1 Unless the directors agree otherwise, the board shall meet at least once every two (2) months.
- 9.2 The chairman shall call directors' meetings by giving notice of the meeting to the directors or by authorising the secretary (if any) to give such notice.
- 9.3 Any director may, by notice to the chairman, request items be included (with supporting papers) on the agenda of the business to be transacted at the next directors' meeting. If the requested items are not included on the agenda at the next directors' meeting, the requesting director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the secretary (if any) to give such notice.
- 9.4 Subject to Article 9.5, notice of any directors' meeting:
- 9.4.1 must indicate:
 - (A) its proposed date and time;
 - (B) where it is to take place; and
 - (C) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting;

- 9.4.2 must be accompanied by an agenda of the business to be transacted and, where practicable, all papers to be presented or considered at the meeting;
 - 9.4.3 must be given to each director in writing;
 - 9.4.4 must be given at least ten (10) Business Days prior to the relevant directors' meeting, save where one (1) director appointed by the Minority Shareholder and one (1) director appointed by the Majority Shareholder consent in writing to a shorter period of notice; and
 - 9.4.5 need not be given to directors who waive their entitlement, whether before or after the relevant meeting has been held, to notice of that meeting. Any director may waive their entitlement to receive notice of the date on which the directors' meeting is held by giving notice to that effect to the Company not more than seven (7) Business Days after the date on which the directors' meeting is held. Where a director waives their right to receive notice of a meeting after the directors' meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.
- 9.5 If a quorum is not present at a directors' meeting in accordance with Article 11, then such meeting shall be adjourned and re-convened three (3) Business Days later at the same time and place or other time and place agreed by the shareholders.
- 9.6 If all of the directors appointed by the Majority Shareholder miss one (1) directors' meeting or all of the directors appointed by the Minority miss one (1) directors' meeting, in each case without appointing an alternate, the quorum for the transaction of business at the next directors' meeting shall be:
- 9.6.1 in the first case, one (1) director appointed by the Minority Shareholder entitled to vote upon the business to be transacted, or an alternate director of such a director, and
 - 9.6.2 in the second case, one (1) director appointed by the Majority Shareholder entitled to vote upon the business to be transacted, or an alternate director of such a director,
- in each case, provided that the director shall not be entitled to vote on or transact any business other than that which was on the agenda for the meeting(s) which the relevant directors appointed by the Majority Shareholder or directors appointed by the Minority Shareholder (as applicable) failed to attend, unless the quorum requirements set out in Article 11.2 have been met.
- 9.7 Any director shall not be counted in the quorum present in relation to a matter or resolution on which he is not entitled to vote but shall be counted in the quorum present in relation to all other matters or resolutions considered or voted on at the meeting.
10. **DIRECTORS' MEETINGS BY CONFERENCE FACILITIES**
- 10.1 A meeting of the directors may consist of a conference between directors some or all of whom are in different places provided that each director who participates in the meeting is able:
- 10.1.1 to hear each of the other participating directors addressing the meeting; and
 - 10.1.2 if he so wishes, to address each of the other participating directors simultaneously,
- whether directly, by conference telephone or by any other form of communication equipment (whether in use when this Article 10 is adopted or developed subsequently) or by a combination of such methods.
- 10.2 A director "**participates**" in a directors' meeting and shall be treated as present and shall count towards the quorum requirements set out in Article 11.2, if the conditions set out in Article 10.1 are satisfied in respect of that director.

- 10.3 A meeting held in the manner contemplated by this Article 10 shall be deemed to take place at the place where the largest group of directors is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates.

11. QUORUM FOR DIRECTORS' MEETINGS

- 11.1 No business shall be transacted at any directors' meeting unless a quorum is present, in person or via an alternative means of communication, at the time when the meeting proceeds to business and remains present during the duration of the meeting.

- 11.2 Subject to Article 11.3, the quorum for a directors' meeting shall be two (2) directors entitled to vote upon the business to be transacted, or alternate directors of such directors, of whom:

11.2.1 one (1) shall be a director appointed by the Majority Shareholder or an alternate director of such a director; and

11.2.2 one (1) shall be a director appointed by the Minority Shareholder or an alternate director of such a director.

- 11.3 All of the directors appointed by the Majority Shareholder miss one (1) directors' meeting or all of the directors appointed by the Minority Shareholder miss one (1) directors' meeting, in each case without appointing an alternate, the quorum for the transaction of business at the next directors' meeting shall be:

11.3.1 in the first case, one (1) director appointed by the Minority Shareholder entitled to vote upon the business to be transacted, or an alternate director of such a director; and

11.3.2 in the second case, one (1) director appointed by the Majority Shareholder entitled to vote upon the business to be transacted, or an alternate director of such a director,

in each case, provided that the director shall not be entitled to vote on or transact any business (i) other than that which was on the agenda for the meeting(s) which the relevant directors appointed by the Majority Shareholder or a director appointed by the Minority Shareholder (as applicable) failed to attend, and (ii) in respect of any reserved matter at any director meeting unless the quorum requirements set out in Article 11.2 have been met.

- 11.4 Subject to Article 11.5, if, at any meeting duly convened, the directors then present do not represent a sufficient number of shares to pass the relevant decision, then any director shall be entitled to convene a meeting of the shareholders to vote on the proposed resolution as a shareholder matter.

- 11.5 The board shall not be entitled to vote on or transact any business in respect of any reserved matter at any directors' meeting unless the quorum requirements set out in Article 11.2 have been met.

- 11.6 Any director shall not be counted in the quorum present in relation to a matter or resolution on which he is not entitled to vote but shall be counted in the quorum present in relation to all other matters or resolutions considered or voted on at the meeting.

12. CHAIRING OF DIRECTORS' MEETINGS

- 12.1 Neither the chairman, the vice-chairman nor any other director chairing the meeting shall have a casting vote.

- 12.2 One (1) of the directors appointed by the Majority Shareholder shall be the chairman.

- 12.3 One (1) of the directors appointed by the Minority Shareholder shall be the vice-chairman.

- 12.4 If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors appointed by the Majority Shareholders must appoint one of themselves to chair it.

13. CONFLICTS OF INTEREST

- 13.1 Subject to the provisions of the Companies Acts, provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office:
- 13.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
 - 13.1.2 may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is interested;
 - 13.1.3 may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any shareholder or any group undertaking of a shareholder, or any body corporate in which any such shareholder or group undertaking is interested; and
 - 13.1.4 may be involved in putting in place, amending, operating, implementing or supervising the performance of any transaction or arrangement between the Company or any body corporate in which the Company is otherwise interested and any shareholder or any group undertaking of a shareholder, or any body corporate in which any such shareholder or group undertaking is interested.
- 13.2 If a director has duly declared his interest in a matter of the nature referred to in Article 13.1:
- 13.2.1 the director 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 undertaking or body corporate;
 - 13.2.2 the director shall not infringe his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company as a result of any such office or employment or any such transaction or arrangement or any interest in any such undertaking or body corporate;
 - 13.2.3 the director shall not be required to disclose to the Company, or use in performing his duties as a director of the Company, any confidential information relating to such office or employment if to make such a disclosure or use would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with such office or employment;
 - 13.2.4 the director may absent himself from discussions, whether in meetings of the directors or otherwise, and exclude himself from information, which will or may relate to such office, employment, transaction, arrangement or interest; and
 - 13.2.5 no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.
- 13.3 For the purposes of this Article:
- 13.3.1 any director shall be deemed to have disclosed the nature and extent of an interest which consists of him being a director, officer or employee of any shareholder or group undertaking of a shareholder or any body corporate in which any shareholder or group undertaking is interested;
 - 13.3.2 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
 - 13.3.3 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.

- 13.4 The directors may (subject to such terms and conditions, if any, as they may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation) authorise, to the fullest extent permitted by law:
- 13.4.1 any matter which would otherwise result in a director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties); and
 - 13.4.2 a director to accept or continue in any office, employment or position in addition to his office as a director of the Company and, without prejudice to the generality of Article 13.3.1, may authorise the manner in which a conflict of interest arising out of such office, employment or position may be dealt with, either before or at the time that such a conflict of interest arises,
- provided that the authorisation is effective only if:
- 13.4.3 any requirement as to the quorum at the meeting at which the matter is considered is met without counting the director in question or any other interested director; and
 - 13.4.4 the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.
- 13.5 If a matter, office, employment or position has been authorised by the directors in accordance with Article 13.4 or is of the nature referred to in Article 13.1 or has been approved by the shareholders pursuant to a shareholders' resolution then (subject to such terms and conditions, if any, as the directors may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation or the permissions set out below) the director:
- 13.5.1 shall not be required to disclose to the Company, or use in performing his duties as a director of the Company, any confidential information relating to such matter, or such office, employment or position if to make such a disclosure or use would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with such matter, or that office, employment or position;
 - 13.5.2 may absent himself from discussions, whether in meetings of the directors or otherwise, and exclude himself from information, which will or may relate to that matter, or that office, employment or position; and
 - 13.5.3 shall not, by reason of his office as a director of the Company, be accountable to the Company for any benefit which he derives from any such matter, or from any such office, employment or position.
- 13.6 Any director shall be entitled to pass any information relating to the Company, its business or affairs to any shareholder, provided that the passing of such information would not breach any obligation of confidentiality owed by the Company to a third party. Neither a shareholder nor the Company shall be entitled to raise any objection to the passing of information as permitted by this Article 13.6 nor allege any breach of any duty to the Company as a result of such action.
- 13.7 A director who has duly declared his interest (so far as he is required to do so) may vote at a meeting of the directors or of a committee of the directors on any resolution concerning a matter in which he is interested, directly or indirectly. If he does, his vote shall be counted; and whether or not he does, his presence at the meeting shall be taken into account in calculating the quorum.
- 13.8 Subject to Article 13.9, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.

- 13.9 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

14. RECORDS OF DECISIONS TO BE KEPT

The directors must ensure that the Company keeps a record, in writing, for at least twenty (20) years from the date of the decision recorded, of every decision taken by the directors, whether taken by a meeting of all the directors, by a committee of directors or by written resolution of the directors.

15. APPOINTMENT AND REMOVAL OF DIRECTORS

- 15.1 Any appointment or removal pursuant to Article 15 shall be decided upon by the relevant shareholder and effected by notice in writing to the Company signed by the relevant shareholder, except in the case of directors who are removed following the exercise of a put or call option in respect of shares and each shareholder shall procure that resolutions of the board are passed to appoint or remove such persons in accordance with the written notice.

- 15.2 The Company's board shall comprise three (3) directors:

15.2.1 two (2) directors nominated for appointment by the Majority Shareholder; and

15.2.2 one (1) director nominated for appointment by the Minority Shareholder,

in each case, holding office pursuant these Articles.

- 15.3 The Majority Shareholder may remove a director appointed by it to the board and appoint another director in his or her place in accordance with the procedures set out in Article 15.1.

- 15.4 The Minority Shareholder may remove a director appointed by it to the board and appoint another director in his or her place in accordance with the procedures set out in Article 15.1.

- 15.5 The Company may propose the removal of any director who fails to attend (or to procure that an alternative attends in his or her place) without reasonable justification (supported by evidence delivered by such director to the chairman) three (3) consecutive meetings of the Company's board of directors which have been convened in accordance with the Articles.

16. TERMINATION OF DIRECTOR'S APPOINTMENT

- 16.1 A person ceases to be a director as soon as:

16.1.1 that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;

16.1.2 a bankruptcy order is made against that person;

16.1.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;

16.1.4 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three (3) months;

16.1.5 notification is received by the Company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms;

16.1.6 he shall for more than six consecutive months (unless he shall have appointed an alternate director who has not been similarly absent during such period) 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;

- 16.1.7 that person is removed as a director in accordance with Article 15.1; and
- 16.1.8 in the case of a director appointed by the Minority Shareholder, there are no longer any Minority Shareholders and, in the case of a director appointed by the Majority Shareholder, there are no longer any Majority Shareholders.

17. DIRECTORS' REMUNERATION

- 17.1 Directors may undertake any services for the Company that the directors decide.
- 17.2 Directors are entitled to such remuneration as the shareholders determine:
 - 17.2.1 for their services to the Company as directors, and
 - 17.2.2 for any other service which they undertake for the Company.
- 17.3 Subject to the Articles, a director's remuneration may:
 - 17.3.1 take any form; and
 - 17.3.2 include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.
- 17.4 Directors' remuneration accrues from day to day.
- 17.5 Directors, who are engaged by the relevant appointing shareholder, shall be remunerated for their services by the appointing shareholder at such rate as the appointing shareholder shall determine.
- 17.6 Directors are not accountable to the Company for any remuneration which they receive as directors or other officers or employees of any subsidiaries or of any other body corporate in which the Company is interested.

18. DIRECTORS' EXPENSES

- 18.1 Any reasonable expenses which the directors (including alternate directors) and the Company Secretary properly incur in connection with their attendance at:
 - 18.1.1 meetings of directors or committees of directors;
 - 18.1.2 general meetings; orotherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Business of the Company, shall be reimbursed in accordance with the relevant secondment or employment agreements by the appointing shareholder.

19. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

- 19.1 Any director may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:
 - 19.1.1 exercise that director's powers; and
 - 19.1.2 carry out that director's responsibilities,in relation to the taking of decisions by the directors in the absence of the alternate's appointor.
- 19.2 Where an alternate is any other director, any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors.
- 19.3 Where an alternate is any other person, any proposal of appointment or removal of an alternate must be made by notice in writing to the Company signed by the appointor and effected by resolution of the directors appointing such person as an alternate director, or in any other manner approved by the directors.
- 19.4 The notice must:

- 19.4.1 identify the proposed alternate; and
- 19.4.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

20. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

- 20.1 An alternate director has the same rights, in relation to any directors' meeting or directors' written resolution, as the alternate's appointor.
- 20.2 Except as the Articles specify otherwise, alternate directors:
 - 20.2.1 are deemed for all purposes to be directors;
 - 20.2.2 are liable for their own acts and omissions;
 - 20.2.3 are subject to the same restrictions as their appointors; and
 - 20.2.4 are not deemed to be agents of or for their appointors.
- 20.3 A person who is an alternate director but not a director:
 - 20.3.1 may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's appointor is not participating), and
 - 20.3.2 may sign a written resolution (but only if it is not signed or to be signed by that person's appointor).

No alternate may be counted as more than one director for such purposes.
- 20.4 A director who is also an alternate director has an additional vote on behalf of each appointor who is:
 - 20.4.1 not participating in a directors' meeting; and
 - 20.4.2 would have been entitled to vote if they were participating in it;

but shall not count as more than one director for the purposes of determining whether a quorum is present.
- 20.5 An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director.

21. TERMINATION OF ALTERNATE DIRECTORSHIP

- 21.1 An alternate director's appointment as an alternate terminates:
 - 21.1.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying it is to terminate;
 - 21.1.2 on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director;
 - 21.1.3 on the death of the alternate's appointor; or
 - 21.1.4 when the alternate's appointor's appointment as a director terminates.

PART C

SHARES

22. ALL SHARES TO BE FULLY PAID UP

- 22.1 No share is to be issued for less than the aggregate of its nominal value and any premium (if applicable) to be paid to the Company in consideration for its issue.
- 22.2 This does not apply to shares taken on the formation of the Company by the subscribers to the Company's memorandum.

23. AUTHORITY TO ALLOT AND ISSUE SHARES

- 23.1 The directors shall not have authority to allot, grant rights to subscribe for, issue or convert securities into shares of the Company without the unanimous approval of the shareholders (either at a general meeting duly convened and held in accordance with the Articles or by written resolution in accordance with the Companies Act 2006), except where shares or debt securities are issued pursuant to an approved work plan and budget of the Business.
- 23.2 No shares shall be issued pursuant to Article 23.1 (whether for cash or otherwise) unless they have been offered to the shareholders, at the same price per share and on the same terms as to payment and otherwise, in proportion, as nearly as may be, to their holdings of shares.

24. RIGHTS ATTACHING TO SHARES

- 24.1 Subject to any special rights which may be attached to any class of shares issued after the date of adoption of these Articles, the rights attaching to the shares are as set out in this Article.
- 24.2 On a return of assets on liquidation or as otherwise agreed by the shareholders, the assets of the Company available for distribution among the shareholders shall be applied first in paying to the shareholders a sum equal to the nominal amount of each share held by them and secondly the balance of such assets (if any) shall be distributed amongst the shareholders, pro rata (as nearly as may be) according to the nominal amounts paid up or credited as paid up on the shares held by them respectively.
- 24.3 Subject to the provisions of these Articles, the profits of the Company available for distribution and resolved to be distributed in respect of any financial year shall be distributed among the shareholders. Every dividend shall be distributed to the shareholders pro rata (as nearly as may be) according to the number of shares held by them respectively.
- 24.4 Subject to any special rights, privileges or restrictions attached to any shares and the provisions of the Companies Acts, at a general meeting of the Company on a poll every shareholder present in person, by representative or by proxy shall have one vote for every share of which he is the holder.

25. PRE-EMPTION RIGHTS ON ISSUE

- 25.1 Sections 561 and 562 of the Companies Act 2006, (including for the avoidance of doubt an allotment of equity securities by virtue of sections 560(2) and 560(3) of the Companies Act 2006), in relation to all allotments by the Company of equity securities, are hereby excluded.

26. COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS

Except as required by law, no person is to be recognised by the Company as holding any share upon any trust, and except as otherwise required by law or the Articles, the Company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

27. SHARE CERTIFICATES

- 27.1 The Company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.
- 27.2 Every certificate must specify:
- 27.2.1 in respect of how many shares, of what class, it is issued;
 - 27.2.2 the nominal value of those shares;
 - 27.2.3 that the shares are fully paid; and
 - 27.2.4 any distinguishing numbers assigned to them.
- 27.3 No certificate may be issued in respect of shares of more than one class.
- 27.4 If more than one person holds a share, only one certificate may be issued in respect of it.
- 27.5 Certificates must:
- 27.5.1 have affixed to them the Company's common seal, or
 - 27.5.2 be otherwise executed in accordance with the Companies Acts.

28. REPLACEMENT SHARE CERTIFICATES

- 28.1 If a certificate issued in respect of a shareholder's shares is:
- 28.1.1 damaged or defaced, or
 - 28.1.2 said to be lost, stolen or destroyed,
- that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.
- 28.2 A shareholder exercising the right to be issued with such a replacement certificate:
- 28.2.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;
 - 28.2.2 must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
 - 28.2.3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

29. GENERAL PROVISIONS IN RELATION TO SHARE TRANSFERS

- 29.1 The directors shall not refuse to register any transfer of a share if such transfer has been carried out in accordance with the provisions of these Articles.
- 29.2 If the directors refuse to register a transfer of a share, they shall as soon as practicable, and in any event within one (1) month after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal and the relevant instrument of transfer.
- 29.3 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 29.4 The Company may retain any instrument of transfer which is registered.
- 29.5 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.
- 29.6 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- 29.7 Where any call option or put option in respect of shares ("**Option**") has been exercised by any person with the right to exercise such Option, notwithstanding any other provision of these Articles, the directors shall not decline to register any duly stamped transfer of such shares (nor may they suspend registration of such transfer) if that duly stamped transfer:

- 29.7.1 is executed by any person with the right to exercise such Option or by any receiver appointed by, or nominee of, such person, in any such case in favour of any person;
- 29.7.2 is executed in favour of any person with the right to exercise such Option or in favour of any receiver appointed by, or nominee of, such person; or
- 29.7.3 is effected upon the exercise of the Option in favour of any person with the right to exercise such Option or in favour of any receiver appointed by, or nominee of, such person,

and that duly stamped transfer is presented with an officer's certificate signed by a duly appointed officer of the transferee or such receiver or nominee stating that the shares are to be transferred in accordance with rights granted under the Option.

PART D

DIVIDENDS AND OTHER DISTRIBUTIONS

30. PROCEDURE FOR DECLARING DIVIDENDS

- 30.1 Subject to the Articles, the Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
- 30.2 A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.
- 30.3 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- 30.4 Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.
- 30.5 The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

31. PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

- 31.1 Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means:
 - 31.1.1 transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;
 - 31.1.2 sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;
 - 31.1.3 sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or
 - 31.1.4 any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.
- 31.2 In the Articles, the "**distribution recipient**" means, in respect of a share in respect of which a dividend or other sum is payable, the holder of the share.

32. NO INTEREST ON DISTRIBUTIONS

The Company may not pay interest on any dividend or other sum payable in respect of a share.

33. UNCLAIMED DISTRIBUTIONS

- 33.1 All dividends or other sums which are:
 - 33.1.1 payable in respect of shares, and
 - 33.1.2 unclaimed after having been declared or become payable,may be invested or otherwise made use of by the directors for the benefit of the Company until claimed.
- 33.2 The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.
- 33.3 If:
 - 33.3.1 a distribution recipient waives his entitlement to a distribution in accordance with Article 34; or

33.3.2 twelve years have passed from the date on which a dividend or other sum became due for payment, and the distribution recipient has not claimed it, the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

34. **WAIVER OF DISTRIBUTIONS**

Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the Company notice in writing to that effect.

PART E

DECISION-MAKING BY SHAREHOLDERS

35. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

- 35.1 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 35.2 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- 35.3 Members who are not in the same place as each other are considered to be attending a general meeting if they are able to communicate with the directors and all other members attending in order to exercise their rights to speak and vote at that meeting.

36. QUORUM FOR GENERAL MEETINGS

- 36.1 No business shall be transacted at any general meeting unless a quorum of shareholders is present at the time when the meeting proceeds to business and remains present during the transaction of business.
- 36.2 Subject to Article 36.3, two persons entitled to vote upon the business to be transacted, each being a shareholder or a proxy for a shareholder or a duly authorised representative of a shareholder, shall be a quorum provided that at least one such person is the Majority Shareholder and one such person is the Minority Shareholder (or, in either case, a proxy or representative of such shareholder).
- 36.3 If the Majority Shareholder misses a general meeting and the continuation of such adjourned meeting or the Minority Shareholder misses a general meeting and the continuation of such adjourned meeting, in each case without appointing a proxy or a duly authorised representative, the quorum at the next general meeting shall be:
 - 36.3.1 in the first case, the Minority Shareholder entitled to vote upon the business to be transacted, or a proxy for such a shareholder or a duly authorised representative of such a shareholder.
 - 36.3.2 in the second case, the Majority Shareholder entitled to vote upon the business to be transacted, or a proxy for such a shareholder or a duly authorised representative of such a shareholder.

37. CHAIRING GENERAL MEETINGS

- 37.1 The chairman shall chair general meetings.
- 37.2 If the chairman is not present at any general meeting the shareholder who appointed the chairman shall be entitled to appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.
- 37.3 The person chairing a meeting in accordance with this Article is referred to as "the chairman of the meeting".

38. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS

- 38.1 Directors may attend and speak at general meetings, whether or not they are shareholders.
- 38.2 The chairman of the meeting may permit other persons who are not:
 - 38.2.1 shareholders of the Company, or
 - 38.2.2 otherwise entitled to exercise the rights of shareholders in relation to general meetings,to attend and speak at a general meeting.

39. ADJOURNMENT

- 39.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.
- 39.2 Any such meeting 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. If at the continuation of such an adjourned meeting a quorum is not present within half an hour of the time at which the meeting was due to start, the chairman must dissolve the meeting.
- 39.3 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:
- 39.3.1 the meeting consents to an adjournment, or
 - 39.3.2 it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- 39.4 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 39.5 When adjourning a general meeting, the chairman of the meeting must:
- 39.5.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
 - 39.5.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 39.6 If the continuation of an adjourned meeting is to take place more than fourteen (14) days after it was adjourned, the Company must give at least seven (7) clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
- 39.6.1 to the same persons to whom notice of the Company's general meetings is required to be given, and
 - 39.6.2 containing the same information which such notice is required to contain.
- 39.7 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

40. VOTING AT GENERAL MEETINGS

A resolution put to the vote of a general meeting must be decided on a poll. Subject to any special rights, privileges or restrictions attached to the shares, on a vote on a resolution taken at a general meeting, every shareholder present by corporate representative or by proxy shall have one vote for every share of which he or she is the shareholder.

41. ERRORS AND DISPUTES

- 41.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- 41.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

42. CONTENT OF PROXY NOTICES

- 42.1 Proxies may only validly be appointed by a notice in writing (a "**proxy notice**") which:
- 42.1.1 states the name and address of the shareholder appointing the proxy;
 - 42.1.2 identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;

- 42.1.3 is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
- 42.1.4 is delivered to the Company in accordance with the Articles and any instructions contained in the notice of the general meeting to which they relate.
- 42.2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 42.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- 42.4 Unless a proxy notice indicates otherwise, it must be treated as:
 - 42.4.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
 - 42.4.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.
- 43. DELIVERY OF PROXY NOTICES**
 - 43.1 A person who is entitled to attend, speak or vote at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person.
 - 43.2 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
 - 43.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
 - 43.4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointer's behalf.
- 44. AMENDMENTS TO RESOLUTIONS**
 - 44.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
 - 44.1.1 notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
 - 44.1.2 the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the content of the resolution.
 - 44.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
 - 44.2.1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
 - 44.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
 - 44.3 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman of the meeting's error does not invalidate the vote on that resolution.
- 45. WRITTEN RESOLUTIONS**
 - 45.1 Subject to the Companies Act 2006, a written resolution proposed and approved in accordance with the Companies Act 2006 by:
 - 45.1.1 a simple majority in the case of an ordinary resolution,

45.1.2 at least seventy five per cent. (75%) in the case of a special resolution, and

45.1.3 all the shareholders in the case of a reserved matter,

in each case of the holders of all the issued shares entitled to vote on the matter is as valid and effective for all purposes as a resolution passed at a general meeting duly convened and held.

45.2 In the case of a corporation the resolution may be signed on its behalf by a director thereof or by its duly appointed attorney or duly authorised representative.

PART F

ADMINISTRATIVE ARRANGEMENTS

46. MEANS OF COMMUNICATION TO BE USED

- 46.1 Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.
- 46.2 Subject to the Articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- 46.3 Any director may agree with the Company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

47. COMPANY SEALS

- 47.1 Any common seal may only be used by the authority of the directors.
- 47.2 The directors may decide by what means and in what form any common seal is to be used.
- 47.3 Unless otherwise decided by the directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
- 47.4 For the purposes of this Article, an authorised person is:
 - 47.4.1 any director of the Company;
 - 47.4.2 the secretary (if any); or
 - 47.4.3 any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

48. DIRECTORS' INDEMNITY

- 48.1 Subject to Article 48.2, a relevant director of the Company shall be indemnified by the appointing shareholder against:
 - 48.1.1 any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company;
 - 48.1.2 any liability incurred by that director in connection with the activities of the Company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006); and
 - 48.1.3 any other liability incurred by that director as an officer of the Company, including by funding any expenditure incurred or to be incurred by him in connection with any liability referred to in this Article 48.1.
- 48.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.
- 48.3 In this Article a "relevant director" means any director or former director of the Company.

49. INSURANCE

- 49.1 The directors may decide to purchase and maintain insurance, at the expense of the appointing shareholder, for the benefit of any relevant director in respect of any relevant loss.
- 49.2 In this Article:
 - 49.2.1 a "relevant director" means any director or former director of the Company, and

- 49.2.2 a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the Company, or any pension fund or employees' share scheme of the Company.

50. **WINDING UP**

If the Company is wound up, the liquidator may, with the sanction of a special resolution by the Company and any other sanction required by law, divide among the shareholders in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the shareholders or different classes of shareholders. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the shareholders as he with the like sanction determines, but no shareholder shall be compelled to accept any assets upon which there is a liability.