

Annex II: MEMORANDUM OF ASSOCIATION

Name of the proposed CSO: Lhak-Sam

Postal address: P.O. Box 1358, Thimphu Bhutan

Proposed location: Changangkha, Thimphu

Purpose:

To create and promote a strong support system based on solidarity, social networking and people's participation for addressing and taking collective action towards effective responses to HIV/AIDS and its impact.

Mission:

Lhak-sam aims to be a premier organization in Bhutan committed to providing and promoting leadership, education and capacity building to all PLWHA and their families empowering them to improve their quality of life, by reducing stigma and discrimination and through access to appropriate prevention, care and support services.

Vision:

“A society where all PLWHA and affected family members have opportunities for a meaningful livelihood”

Lhak-Sam envisages a country and region where all PLWHA and affected family members have full access to a range of services including appropriate treatment and care, counselling, social support and are provided with opportunities for a meaningful livelihood. Where PLWHA are included in decision making that concerns them and which have a bearing on their and their families lives. It aspires to create an environment which is free from stigma and discrimination and where HIV is normalized to accept it as any other Public health concern. Provide opportunity to partner with all relevant stakeholders and concerned organizations to fight against the epidemic and contribute towards reversing and decreasing the spread of HIV.

Goals and objectives:

1. To network and provide support to all PLWHA in Bhutan and the region
2. To empower and build the capacity of all members to participate fully in their own treatment, care and prevention
3. To reduce stigma and discrimination by normalizing HIV/AIDS in all levels of society
4. To enhance greater participation of members and other stakeholders in the fight against HIV/AIDS
5. To increase access to resources by members through resource mobilization, grant making and management.

Beneficiaries:

The beneficiaries from the activities undertaken by Lhak-sam are;

- People Living with HIV/AIDS (PLWHA)
- Families of PLWHA
- General public

Governing Body:

Board of Directors with its elected chairman & secretary will form the governing body

The Executive Director and his team of staff, will manage the day to day functions of the organization

Reporting responsibilities:

A Board of Directors shall be formed to advise, govern, oversee policy and direction, and assist with the leadership and general promotion of *Lhak-sam* so as to support the organization's mission and needs. The executive director shall be responsible for day-to-day management of Lhak-sam and also function as the member-secretary to the Board. He/she shall directly report to the Chairman and the Board of Directors.

Details of the incorporators: We the undersigned have come together to form Lhak-sam, with its mission, vision and objectives as outlined above.

Name	Age	Occupation	Signature
Mr. W. Dorji	36	Private	
Ms. Tshering	31	Peer counselor	
Ms. Tsheteem	27	Peer counselor	
Mr. Ugen	27	Peer counselor	
Mr. Namgay	38	Counselor	
Mr. P. Dorji	32	Private	
Ms. S. Zangmo	22	Unemployed	
Ms. Dechenmo	23	Peer counselor	

Assets: The Assets of Lhak-sam shall be created by donations, grants, subsidies, financial assistance, bequests and other transfers of funds or other property, whether public or private grants.

All the incomes, earnings, movable or immovable properties of Lhak-sam shall be solely utilized and applied towards the promotion of its aims and objects only as set forth in the Memorandum of Association and no portion thereof shall be paid or transferred directly by way of dividends, bonus, profits or in any manner whatsoever, to the present or past members of Lhak-sam or to any person claiming through any one or more of the present or the past members.

No member of Lhak-sam shall have any personal claim on any movable or immovable properties of the society or make any profit ,whatsoever, by virtue of his/her membership.

Liability: Any liability to the third party (s) resulting from the ordinary course of Lhak-sam's activities shall be the liability of Lhak-sam. The liability of the Board of Directors is limited.

Financial and Accounting Management

1. The financial year shall follow the calendar year i.e. begin on 1 January and end on 31 December.
2. The Board of Directors shall delegate financial powers to the Executive Director of Lhak-sam who will disburse the funds, based on the plans approved by the Board of Directors.
3. The Executive Director shall maintain records of receipts and payments including list of assets and liabilities, in accordance with the generally accepted accounting practices and the financial rules and regulations approved by the Board.
4. An annual report furnishing financial information and other progress made including the organization's activities and programs shall be published and made available.
5. The Financial and Accounting Management of Lhak-sam shall be in accordance with the Lhak-sam Financial and Accounting Manual, 2010. In addition, the Financial Rules and Regulations as published by the Royal Government of Bhutan shall also be referred for sections and articles not specified in the Lhak-sam manual.

Annual Audit

1. The receipts and payments statements of the Foundation shall be certified by independent auditors.
2. The Director shall present the audited accounts to the Board of Directors of the Lhak-sam

Insolvency, Dissolution and Liquidation

In the event of the dissolution of Lhak-sam, its property, funds, and other assets shall be transferred to whatever organization or organizations operated exclusively for charitable, educational, and/or scientific purposes as the CSO Authority may determine, provided such organization or organizations are registered as CSO's within the territory of Bhutan.

If Lhak-sam shall be insolvent, the liability of the Board and the members will be limited, and the disposal of assets and liabilities may take place, in accordance with the laws of Bhutan.

Certified that this is the true and correct copy of the Memorandum of Association

EXECUTIVE DIRECTOR

SECRETARY

TREASURER