

ANNEXURES:

Annex 1: ARTICLES OF ASSOCIATION

THE PREAMBLE

Recognizing the need to create a society where all PLWHA and affected family members have opportunities for a meaningful livelihood; address and take collective action against HIV/AIDS and its impact; and promote access to care and support services; we, the members of the Board of Directors and Executive Committee of people living with HIV, hereby establish Lhak-sam, a nonprofit organization which shall be governed by the following articles of association.

ARTICLE I - NAME

The name of this organization is **Lhak-sam**. The said organization is a Public Benefit Organization (PBO) based in Bhutan.

ARTICLE II- DURATION

Lhak-sam shall have perpetual existence till such time that there exists HIV/AIDS.

ARTICLE III - 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

ARTICLE IV - 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.

ARTICLE V - VISION AND OBJECTIVES

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, counseling, 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.

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.

ARTICLE VI – REGISTERED OFFICE

The registered office of Lhak-sam shall be in Thimphu Bhutan located at the place mentioned hereunder:

THIMPHU OFFICE
Changangkha, P.O. Box 3058, Thimphu Telephone Number: 00975-2-337068 Email: lhaksam@gmail.com

ARTICLE VII – INCORPORATORS

Name, age, occupation and signature of the incorporators:

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	

ARTICLE VIII – INCOME

The income of Lhak-sam shall be derived from the activities as outlined under Article IV, contributions from the members and the general public. Donations in any form shall constitute the income of Lhak-sam.

ARTICLE IX - ASSETS

Section 1: 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.

Section 2: 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.

Section 3: 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.

ARTICLE X - 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.

ARTICLE XI – BOARD OF DIRECTORS

Section 1: The overall management of Lhak-sam shall rest with the Executive Director and the Board of Directors.

Section 2: The Executive Director shall hold office for the period appointed by the Board.

Section 3: The Executive Director shall also act as the Secretary to the Board of Directors.

Section 4: The Board may delegate powers to the Executive Director for managing the affairs of Lhak-sam.

Section 5: As the executive body, the Board of Directors shall guide and make all important decisions and policies on behalf of Lhak-sam.

Section 6: Lhak-sam shall have five (5) initial board directors, whose names and addresses are:

Dr. Tandi Dorji Managing Director Center for Research Initiative Thimphu Bhutan dorjitandi@hotmail.com	Ms. Manushika Rai Senior Pharmacist Ministry of Health Thimphu Bhutan msikarai@gmail.com
Ms. Sangay Om Program Officer National AIDS Control Program Ministry of Health, Thimphu Bhutan sangayom@health.gov.bt	Ms. Dechen Wangmo Consultant Thimphu Bhutan dwangmo11@yahoo.com

<p>Mr. Chukey Wangchuk Program Officer Bhutan Trust Fund Thimphu Bhutan wangchuk@gmail.com</p>	
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- Section 7:** Number of members required to call special Board meetings: 3
- Section 8:** Quorum for Board meetings: two-third
- Section 9:** Number of consecutive meetings a Board member may miss before ceasing to hold office: Three (3)
- Section 10:** Required majority to approve removal of a Board member: two-third

ARTICLE XII – COMPOSITION & APPOINTMENT OF BOARD OF DIRECTORS

The members of the Board shall comprise of individuals from the state, business community and civil society organizations.

ARTICLE XIII – DUTIES AND POWER OF THE BOARD OF DIRECTORS

The Board of Directors of Lhak-sam shall exercise the powers as hereunder:

- Section 1:** All powers - managerial and financial aspects of Lhak-sam shall be vested in the Board of Directors.
- Section 2:** A Chairperson will be elected from among its members who may delegate the power of the Board of Directors to one or more members to take decisions in exigencies. However, such decisions shall be tabled in the Board meeting for ratification.
- Section 3:** The Board shall have the power to institute policy guidelines and regulations for the functioning of the organization.
- Section 4:** The Board of Directors shall have the power to approve plans of Lhak-sam.
- Section 5:** The Board of Directors shall have the power to make decisions relating to the accounts and audit of Lhak-sam.
- Section 6:** The Board of Directors shall have the power to amend any provisions in this Article of Association of Lhak-sam. However, such amendments shall require a full participation and consensus of the Board of Directors.

ARTICLE XIV – DURATION OF A BOARD MEMBER

The members of the Board shall be appointed for a maximum period of five years, which may be renewed.

ARTICLE XV – GENERAL MEETINGS

The Board shall convene meetings at least four (4) times a year; every quarter, presided by the Chairman.

Section 1: Board of Directors shall meet at least four (4) a year, every quarter.

Section 2: In the absence of Chairman, the senior-most member of the Board shall preside over the meeting of the Board.

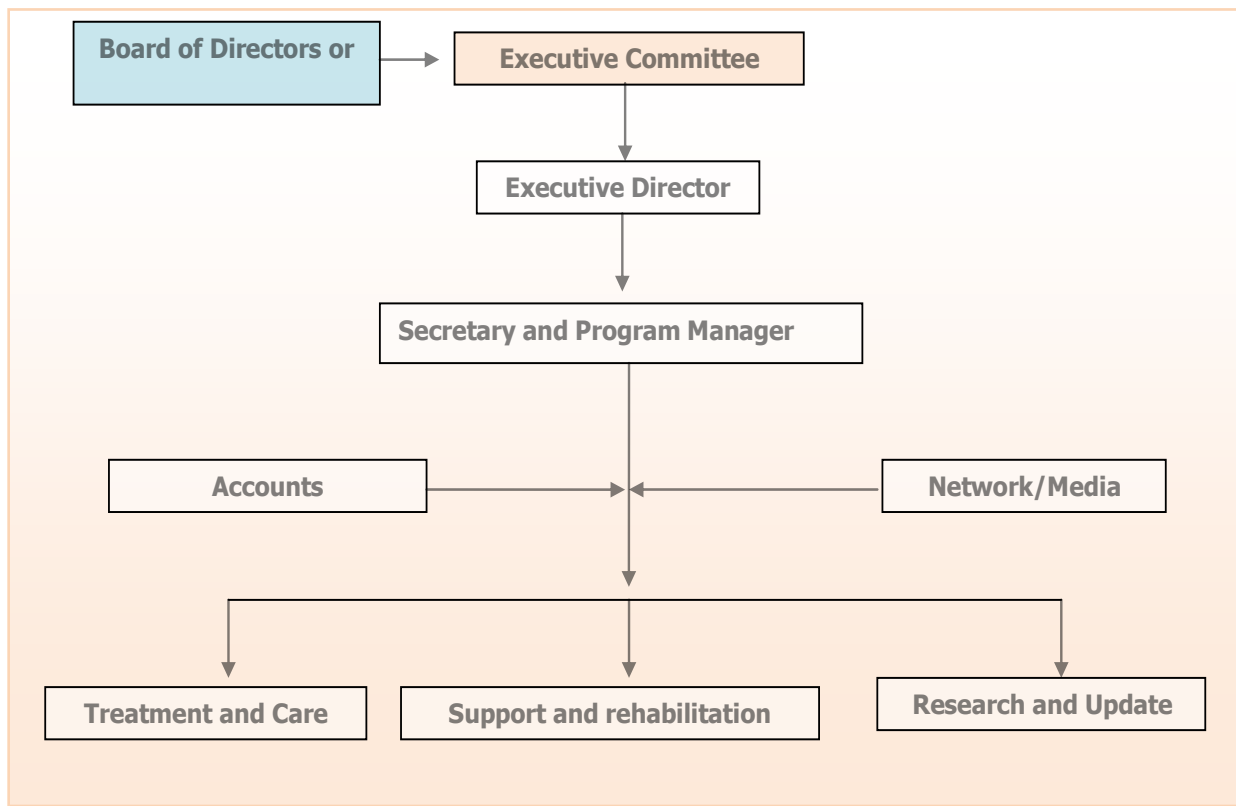
Section 3: Notice shall be given as to the date, place, time and agenda for holding meeting of the Board.

Section 4: Majority of the members of Directors on the Board shall constitute the quorum for the Board meetings.

Section 5: Decision taken by simple majority of Directors present in the meeting shall be the decision of the Board on any agenda related to administrative matters.

Section 6: Minutes of the meeting of the Board must be prepared and circulated within 15 days to all Board Members. Board Minutes will be signed by the Chairman.

ARTICLE VI - ORGANIZATIONAL STRUCTURE



ARTICLE VII - EXECUTIVE COMMITTEE OF THE SECRETARIATE

An executive committee shall be established by the Board to support the functioning of the organization and implement the decisions of the Board. The committee shall be chaired by the Executive Director of the organization and other members shall be nominated from among the staffs of the organization. The committee shall make decisions by simple majority on decisions regarding day to day management of Lhak-sam.

ARTICLE XVIII – ROLES AND RESPONSIBILITIES OF THE SECRETARIAT

To accomplish the objectives of Lhak-sam, the Secretariat upon the directions of the Board shall undertake the responsibilities mentioned hereunder:

- Section 1:** Lead and oversee the overall management functions of Lhak-sam.
- Section 2:** Engage in activities to mobilize resources for Lhak-sam.
- Section 3:** Advocate and promote the objectives of Lhak-sam.
- Section 4:** The Secretariat shall execute the decisions of the Board of Directors.
- Section 5:** The secretary to the Board of Directors shall be the Executive Director and shall be responsible for the day-to-day management and administration of the Office of Lhak-sam
- Section 6:** The members of the office management team shall be appointed by the Chairman of the Board of Directors for a term of three years, which may be renewable.
- Section 7:** The Executive Director shall be accountable to the Board of Directors.

ARTICLE XIX – ANNUAL ACCOUNTS

- Section 1:** The financial year of Lhak-sam shall follow the calendar year i.e. 1st January to 31st December.
- Section 2:** The Board of Directors shall delegate financial powers to the Executive Director of Lhak-sam.
- Section:** 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.
- Section 3:** The Executive Director shall maintain records of receipts and payments in accordance with the generally accepted accounting practices and the financial rules and regulations approved by the Board.
- Section 4:** The Executive Director shall prepare annual financial report, consisting of receipts and payments statement and list of assets and liabilities.

ARTICLE XX – ANNUAL AUDIT

- Section 1:** The receipts and payments statements of Lhak-sam shall be certified by the Royal Audit Authority or any other legally registered and recognized independent auditors.
- Section 2:** The Executive Director shall present the annual audited accounts to the Board of Directors of Lhak-sam.

ARTICLE XXI – AMMENDAMENT OF ARTICLES

Lhak-sam reserves the right to amend, alter, change or repeal any provisions contained in the Articles of Association in compliance to the provisions of the Civil Society Organization Act 2007, and all rights and powers conferred herein on the Board Directors.

ARTICLE XXII – APPLICABILITY OF THE ACT

The Civil Society Organization Act shall apply on matters where these articles do not have any provisions.

ARTICLE XXIII – MEMBERS

- Section 1:** Lhak-sam membership will be limited to people with HIV. The secretariat shall strive to network and include all people with HIV from across the country.
- Section 2:** Members shall abide by the Lhak-sam code of ethics
- Section 3:** Members shall work towards reducing the spread of HIV and mitigating its affects.
- Section 4:** Members may resign from Lhak-sam by a simple resignation letter addressed to the Executive Director, who may accept it.
- Section 5:** Members may be expelled from the organization if the members' actions are against the Lhak-sam code of ethics or willfully engages in activities that spread the disease.

ARTICLE XXIV – DISSOLUTION

- Section 1:** 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.
- Section 2:** 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 law

**INCORPORATED ON THE 22ND DAY OF THE 10TH MONTH OF THE EARTH
FEMALE OX YEAR, CORRESPONDING TO 9TH DAY OF NOVEMBER 2009.**

Certified that this is a true copy of the Articles of Association of Lhak-sam

CHAIRPERSON
BOARD

EXECUTIVE DIRECTOR
Lhak-sam

SECRETARY
Lhak-sam