

**ARTICLES OF ASSOCIATION
OF
THE HIV RESEARCH TRUST**

ADOPTED 20 May 2020



THE COMPANIES ACTS 1985, 1989 and 2006

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION OF THE HIV RESEARCH TRUST

Interpretation

1 (1) In these Articles:

"the Act" means the Companies Acts 1985, 1989 and 2006 (to the extent in force) including any statutory modification or re-enactment thereof from time to time;

"Address" means a postal address or, for the purposes of electronic communication, a fax number or an e-mail address in each case registered with the Charity;

"Chair" means the person appointed by the Directors pursuant to Article 15(2);

"the Charity" means the company named The HIV Research Trust intended to be regulated by these Articles;

"the Charities Act" means the Charities Acts 1992, 2006 and 2011 (to the extent in force) including any statutory modification or re-enactment thereof from time to time;

"Clear Days" in relation to the period of a notice means a period excluding:

- the day when the notice is given or deemed to be given; and
- the date of the event to which the notice relates;

"the Commission" means the Charity Commission for England and Wales;

"the Directors" means the directors of the Charity. The Directors are charity trustees as defined by the Charities Act;

"HIV" means human immunodeficiency virus;

"Meeting" includes, except where inconsistent with any legal obligation:

- a physical meeting;
- a video conference, an internet video facility or similar electronic method allowing simultaneous visual and audio participation; or
- telephone conferencing;

"Members" has the meaning given in the Act and membership shall be construed accordingly;

"Officers" means the Directors and the Secretary;

"the Seal" means the common seal of the Charity if it has one;

"Secretary" means the Secretary of the Charity or any other person appointed to perform the duties of the Secretary of the Charity, including a joint, assistant or deputy Secretary;

"Taxable Trading" means carrying on a trade or business for the principal purpose of raising funds and not for the purpose of actually carrying out the Objects, the profits of which are subject to corporation tax;

"United Kingdom" means Great Britain and Northern Ireland; and

- (2) Words importing one gender shall include all genders, and the singular includes the plural and vice versa.
- (3) Unless the context otherwise requires words or expressions contained in these Articles have the same meaning as in the Act.
- (4) A reference to an Act of Parliament includes any statutory modification or re-enactment of it for the time being in force.

Registered Office

2. The registered office of the Charity will be in England and Wales.

Objects of the Charity

3. The Charity's objects (the "Objects") are to promote study and research into the causes and treatment of HIV infection and to provide funding in connection therewith.

Powers of the Charity

- 4 (1) In addition to any other powers it may have, the Charity has the following powers in order to further the Objects (but not for any other purpose):
 - (a) to promote and carry out research and to disseminate the useful results;
 - (b) to provide advice;
 - (c) to publish or contribute to the publication of any papers, books, periodicals, reports or other documents and to distribute information in any format by any means;
 - (d) to raise funds. In doing so, the Charity must not undertake any Taxable Trading and must comply with any relevant statutory regulations;
 - (e) to buy, take on lease or in exchange, hire or otherwise acquire any property and to maintain and equip it for use;
 - (f) to sell, lease or otherwise dispose of all or any part of the property belonging to the Charity. In exercising this power, the Charity must comply as appropriate with the Charities Act;
 - (g) to borrow money and to charge the whole or any part of the property belonging to the Charity as security for repayment of the money borrowed. The Charity must comply as appropriate with the Charities Act if it wishes to mortgage land;
 - (h) to co-operate with other charities, voluntary bodies and statutory authorities and to exchange information and advice with them;
 - (i) to establish or support any charitable trusts, associations or institutions formed for any of the charitable purposes included in the Objects;
 - (j) to acquire, merge with or to enter into any partnership or joint venture arrangement with any other charity formed for any of the Objects;
 - (k) to set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves;
 - (l) to employ and remunerate such staff as are necessary for carrying out the work of the Charity. The Charity may employ or remunerate a Director only to the extent it is permitted to do so by Article 5 and provided it complies with the conditions in that Article;
 - (m) to:

- (i) deposit or invest funds;
- (ii) employ a professional fund-manager; and
- (iii) arrange for the investments or other property of the Charity to be held in the name of a nominee,

in the same manner and subject to the same conditions as the trustees of a trust are permitted to do by the Trustee Act 2000;

- (n) to provide indemnity insurance for the Directors or any other Officer to the extent permitted by the Charities Act;
- (o) to pay out of the funds of the Charity the costs of forming and registering the Charity both as a company and as a charity;
- (p) to do all such other lawful things as are necessary for the achievement of the Objects;

(2) The liabilities referred to in Sub-clause (n) are:

- (a) any liability that by virtue of any rule of law would otherwise attach to a director of a company in respect of any negligence, default breach of duty or breach of trust of which he or she may be guilty in relation to the Charity;
- (b) the liability to make a contribution to the Charity's assets as specified in Section 214 of the Insolvency Act 1986 (wrongful trading).

(3) (a) The following liabilities are excluded from Sub-clause (2)(a):

- (i) fines;
 - (ii) costs of unsuccessfully defending criminal prosecutions for offences arising out of the fraud, dishonesty or wilful or reckless misconduct of the Director or other Officer;
 - (iii) liabilities to the Charity that result from conduct that the Director or other Officer knew or must be assumed to have known was not in the best interests of the Charity or about which the person concerned did not care whether it was in the best interests of the Charity or not.
- (c) There is excluded from Sub-clause 2(b) any liability to make such a contribution where the basis of the Director's liability is his or her knowledge prior to the insolvent liquidation of the Charity (or reckless failure to acquire that knowledge) that there was no reasonable prospect that the Charity would avoid going into insolvent liquidation.

Use of income and property

5 (1) The income and property of the Charity shall be applied solely towards the promotion of the Objects.

(2) (a) A Director is entitled to be reimbursed from the property of the Charity or may pay out of such property reasonable expenses properly incurred by him or her when acting on behalf of the Charity.

(b) Subject to the restrictions in Sub-clauses 4(2) and 4(3), a Director may benefit from trustee indemnity insurance cover purchased at the Charity's expense.

(3) None of the income or property of the Charity may be paid or transferred directly or indirectly by way of dividend bonus or otherwise by way of profit to any Member of the Charity. This does not prevent a member who is not also a Director receiving;

(a) a benefit from the Charity in the capacity of a beneficiary of the Charity;

(b) reasonable and proper remuneration for any goods or services supplied to the Charity.

(4) No Director may:

(a) buy any goods or services from the Charity;

- (b) sell goods, services, or any interest in land to the Charity;
- (c) be employed by, or receive any remuneration from the Charity;
- (d) receive any other financial benefit from the Charity;

unless:

- (i) the payment is permitted by Sub-clause (5) of this Clause and the Directors follow the procedure and observe the conditions set out in Sub-clause (6) of this Clause; or
 - (ii) the Directors obtain the prior written approval of the Commission and fully comply with any procedures it prescribes.
- (5) (a) A Director may receive a benefit from the Charity in the capacity of a beneficiary of the Charity.
- (b) A Director may be employed by the Charity or enter into a contract for the supply of goods or services to the Charity, other than for acting as a Director.
- (c) A Director may receive interest on money lent to the Charity at a reasonable and proper rate not exceeding 2% per annum below the base rate of a clearing bank to be selected by the Directors.
- (d) A company of which a Director is a member may receive fees remuneration or other benefit in money or money's worth provided that the shares of the company are listed on a recognised stock exchange and the Director holds no more than 1% of the issued capital of that company.
- (e) A Director may receive rent for premises let by the Director to the Charity if the amount of the rent and the other terms of the lease are reasonable and proper.
- (6) (a) The Charity and its Directors may only rely upon the authority provided by Sub-clause 5(5) if each of the following conditions is satisfied:
 - (i) The remuneration or other sums paid to the Director do not exceed an amount that is reasonable in all the circumstances;
 - (ii) Where a Director, as mentioned in Sub-clause (iii) of this Clause, has a personal interest in a matter to be discussed at a meeting of Directors or any committee, or a conflict of loyalties, the Director concerned must declare such interest or conflict before discussion of the matter begins;
 - (iii) The Director is absent from the part of any meeting unless expressly invited to remain in order to provide information at which there is discussion of:
 - (A) his or her employment or remuneration, or any matter concerning the contract; or
 - (B) his or her performance in the employment, or his or her performance of the contract; or
 - (C) any proposal to enter into any other contract or arrangement with him or her or to confer any benefit upon him or her that would be permitted under Sub-clause 5(5); or
 - (D) any other matter relating to a payment or the conferring of any benefit permitted by Sub-clause 5(5);
 - (iii) The Director does not vote on any such matter and is not to be counted when calculating whether a quorum of Directors is present at the meeting;
 - (iv) The other Directors are satisfied that it is in the interests of the Charity to employ or to contract with that Director rather than with someone who is not a Director. In reaching that decision the Directors must balance the advantage of employing a Director against the disadvantages of doing so (especially the loss of the Director's services as a result of dealing with the Director's conflict of interest);
 - (v) The reason for their decision is recorded by the Directors in the minute book;

- (vi) A majority of the Directors then in office have received no such payments in any one financial year.
- (b) The employment or remuneration of a Director includes the engagement or remuneration of any firm or company in which the Director is:
 - (i) a partner;
 - (ii) an employee;
 - (iii) a consultant;
 - (iv) a director; or
 - (v) a shareholder, unless the shares of the company are listed on a recognised stock exchange and the Director holds less than 1% of the issued capital.

(7) In Sub-clauses (2)-(6) of this Clause 5:

- (a) "Charity" shall include any company in which the Charity:
 - (i) holds more than 50% of the shares; or
 - (ii) controls more than 50% of the voting rights attached to the shares; or
 - (iii) has the right to appoint one or more directors to the Board of the company.
- (b) "Director" shall include any child, parent, grandchild, grandparent, brother, sister or spouse of the Director or any person living with the Director as his or her partner.

Limited Liability

6 The liability of the Members is limited.

Guarantee by Members of the Charity

7 Every Member promises, if the Charity is dissolved while he or she is a Member or within twelve months after he or she ceases to be a Member, to contribute such sum (not exceeding £10) as may be demanded of him or her towards the payment of the debts and liabilities of the Charity incurred before he or she ceases to be a Member, and of the costs, charges and expenses of winding up, and the adjustment of the rights of the contributories among themselves.

Application of Net Assets on Dissolution

- 8 (1) The Members of the Charity may at any time before, and in expectation of, its dissolution resolve that any net assets of the Charity after all its debts and liabilities have been paid, or provision has been made for them, shall on or before the dissolution of the Charity be applied or transferred in any of the following ways:
- (a) directly for the Objects; or
 - (b) by transfer to any charity or charities for purposes similar to the Objects; or
 - (c) to any charity for use for particular purposes that fall within the Objects;
- (2) Subject to any such resolution of the Members of the Charity, the Directors of the Charity may at any time before and in expectation of its dissolution resolve that any net assets of the Charity after all its debts and liabilities have been paid, or provision made for them, shall on dissolution of the Charity be applied or transferred:
- (a) directly for the Objects; or
 - (b) by transfer to any charity or charities for purposes similar to the Objects; or
 - (c) to any charity or charities for use for particular purposes that fall within the Objects.

- (3) In no circumstances shall the net assets of the charity be paid to or distributed among the Members of the Charity (except to an Member that is itself a charity) and if no such resolution is passed by the Members the net assets of the Charity shall be applied for charitable purposes as directed by the court or the Commission.

Members

- 9 The Directors from time to time shall be the Members of the Charity.

Directors

- 10 (1) A Director must be a natural person aged eighteen (18) years or older.
- (2) No one may be appointed a Director if he or she would be disqualified from acting under the provisions of Article 18.
- 11 The number of Directors shall be not less than three (3) nor more than eight (8).
- 12 Subject to any earlier replacement, newly appointed Directors shall serve for a fixed term of three (3) years from the date of their appointment . Directors may be reappointed for a subsequent three year term.
- 13 All appointments require the prior approval of the existing Directors (such approval not to be unreasonably withheld) for a maximum of one additional fixed term of three (3) years. In exceptional circumstances, and following a unanimous vote of all Directors, Directors may renew for a 3rd three year term.
- 14 A Director may not appoint an alternate director or anyone to act on his or her behalf at Meetings of the Directors.

Powers of Directors

- 15 (1) The Directors shall manage the business of the Charity and may exercise all the powers of the Charity unless they are subject to any restrictions imposed by the Act or these Articles or any special resolution.
- (2) The Directors shall have the right to appoint a Chair, Treasurer and other honorary officers on such terms and conditions as they see fit on an annual basis.
- (3) No alteration of these Articles or any special resolution shall have retrospective effect to invalidate any prior act of the Directors.
- (4) Any Meeting of Directors at which a quorum is present at the time the relevant decision is made may exercise all the powers exercisable by the Directors.

The Appointment of Directors

- 16 (1) The Directors may appoint persons who are willing to act as a Director.
- (2) A Director appointed by a resolution of the other Directors must retire at the next annual general Meeting or have his appointment ratified by a resolution of the Officers at such Meeting.
- 17 The appointment of a Director by the other Directors, must not cause the number of Directors to exceed any number fixed as the maximum number of Directors.

Disqualification and removal of Directors

- 18 A Director shall cease to hold office if he or she:
- (1) ceases to be a Director by virtue of any provision in the Act or is prohibited by law from being a Director;
- (2) is disqualified from acting as a Trustee in accordance with the Charities Act;
- (4) becomes incapable by reason of mental disorder, illness or injury of managing and administering his or her own affairs;

- (5) resigns as a Director by notice to the Charity (but only if at least two (2) Directors will remain in office when the notice of resignation is to take effect); or
- (6) is absent without the permission of the Directors from all their Meetings held within a period of twelve (12) consecutive months and the Directors resolve that his or her office be vacated.

Directors' Remuneration

19 The Directors must not be paid any remuneration unless it is authorised by Article 5.

Proceedings of Directors

- 20
- (1) The Directors may regulate their proceedings as they think fit, subject to the provisions of the Articles.
 - (2) The Directors shall hold at least two (2) Meetings each year.
 - (3) Any Director may call a Meeting of the Directors.
 - (4) The Secretary must call a Meeting of the Directors if requested to do so by a Director.
 - (5) Questions arising at a Meeting shall be decided by a majority of votes.
 - (6) In the case of an equality of votes, the person who chairs the Meeting shall have a second or casting vote.
- 21
- (1) No decision may be made by a Meeting of the Directors unless a quorum is present at the time the decision is purported to be made.
 - (2) The quorum shall be three (3) or the number nearest to one third of total number of Directors, whichever is the greater or such larger number as may be decided from time to time by the Directors.
 - (3) A Director shall not be counted in the quorum present when any decision is made about a matter upon which that Director is not entitled to vote.
- 22 If the number of Directors is less than the number fixed as the quorum, the continuing Directors or Director may act only for the purpose of filling vacancies or of calling a general Meeting.
- 23
- (1) The Directors shall appoint a Director to chair their Meetings pursuant to Article 15(2) above and may at any time revoke such appointment.
 - (2) If no-one has been appointed to chair Meetings of the Directors or if the person appointed is unwilling to preside or is not present within ten (10) minutes after the time appointed for the Meeting, the Directors present may appoint one of their number to chair that Meeting.
 - (3) The person appointed to chair Meetings of the Directors shall have no functions or powers except those conferred by these Articles or delegated to him or her by the Directors.
- 24
- (1) A resolution in writing signed by all the Directors entitled to receive notice of a Meeting of Directors or of a committee of Directors and to vote upon the resolution shall be as valid and effectual as if it had been passed at a Meeting of the Directors or (as the case may be) a committee of Directors duly convened and held, provided that a resolution to remove a Director or a resolution to remove the auditors will only be effective if passed at a Meeting of Directors.
 - (2) The resolution in writing may comprise several documents containing the text of the resolution in like form each signed by one or more Directors.

Delegation

- 25
- (1) The Directors may delegate any of their powers or functions to a committee of three (3) or more, but the terms of any delegation must be recorded in the minute book.
 - (2) The Directors may impose conditions when delegating, including the conditions that:

- (a) the relevant powers are to be exercised exclusively by the committee to whom they delegate;
 - (b) no expenditure may be incurred on behalf of the Charity except in accordance with a budget previously agreed with the Directors.
- (3) The Directors may revoke or alter a delegation.
- (4) All acts and proceedings of any committees must be fully and promptly reported to the Directors.
- 26 A Director must absent himself or herself from any discussions of the Directors in which it is possible that a conflict will arise between his or her duty to act solely in the interests of the Charity and (a) any personal interest (including but not limited to any personal financial interest) and (b) any conflict of loyalties and the Directors shall comply with the Act in connection with conflicts.
- 27 (1) Subject to Article 31(2), all acts done by a Meeting of Directors, or of a committee of Directors, shall be valid notwithstanding the participation in any vote of a Director:
 - (a) who was disqualified from holding office;
 - (b) who had previously retired or who had been obliged by the constitution to vacate office;
 - (c) who was not entitled to vote on the matter, whether by reason of a conflict of interest or otherwise;if without:
 - (d) the vote of that Director; and
 - (e) that Director being counted in the quorum,the decision has been made by a majority of the Directors at a quorate Meeting.
- (2) Article 27(1) does not permit a Director to keep any benefit that may be conferred upon them by a resolution of the Directors or of a committee of Directors if, but for Article 31(1), the resolution would have been void, or if the Director has not complied with Article 30.

Seal

- 28 If the Charity has a Seal it must only be used by the authority of the Directors or of a committee of Directors authorised by the Directors. The Directors may determine who shall sign any instrument to which the Seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Secretary or by a second Director.

Minutes

- 29 The Directors must keep minutes of all:
 - (1) appointments of Officers (including Directors) made by the Directors;
 - (2) proceedings at Meetings of the Charity;
 - (3) Meetings of the Directors and committees of Directors including:
 - (a) the names of the Directors present at the Meeting;
 - (b) the decisions made at the Meetings; and
 - (c) where appropriate the reasons for the decisions.

Accounts

- 30 (1) The Directors must prepare for each financial year accounts as required by the Act and the Charities Act. The accounts must be prepared to show a true and fair view and follow accounting standards issued or adopted by the Accounting Standards Board or its successors and adhere to the recommendations of applicable Statements of Recommended Practice.

- (2) The Directors must keep accounting records as required by the Act and the Charities Act.

Annual Report and Return and Register of Charities

- 31 (1) The Directors must comply with the requirements of the Charities Act with regard to:
- (a) the transmission of the statements of account to the Commission;
 - (b) the preparation of an annual report and its transmission to the Commission;
 - (c) the preparation of an annual return and its transmission to the Commission.
- (2) The Directors must notify the Commission promptly of any changes to the Charity's entry on the Central Register of Charities.

Notices

- 32 Any notice to be given to or by any person pursuant to the Articles:
- (1) must be in writing; or
 - (2) must be given using electronic communications.
- 33 (1) Proof that an envelope containing a notice was properly Addressed, prepaid and posted shall be conclusive evidence that the notice was given.
- (2) Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given.
- (3) A notice shall be deemed to be given:
- (a) forty-eight (48) hours after the envelope containing it was posted; or
 - (b) in the case of an electronic communication, forty-eight (48) hours after it was sent.

Indemnity

- 34 To the extent permitted by the Act the Charity shall indemnify every Director or other Officer or auditor of the Charity against any liability incurred by him or her in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour of the Director or in which the Director is acquitted or in connection with any application in which relief is granted to the Director by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Charity including actions taken in accordance with section 205 of the Act.

Rules

- 35 (1) The Directors may from time to time make such reasonable and proper rules or bye laws as they may deem necessary or expedient for the proper conduct and management of the Charity.
- (2) The bye laws may regulate the following matters but are not restricted to them:
- (a) the setting aside of the whole or any part or parts of the Charity's premises at any particular time or times or for any particular purpose or purposes;
 - (b) the procedure at Meetings of the Directors in so far as such procedure is not regulated by the Act or by these Articles;
 - (c) generally, all such matters as are commonly the subject matter of company rules.

- (3) No rule or bye law shall be inconsistent with, or shall affect or repeal anything contained in, these Articles.