

**COMMUNITY FORESTRY MANAGEMENT AGREEMENT
BETWEEN THE**

**BLUYEAMA COMMUNITY FOREST MANAGEMENT BODY
AND**

SING AFRICA PLANTATION LINERIA INC.

**January 30, 2016
Wuomai, Lofa County
Liberia**

REPUBLIC OF LIBERIA)
MONTSERRADO COUNTY)

COMMUNITY FOREST MANAGEMENT AGREEMENT

THIS COMMUNITY FOREST MANAGEMENT AGREEMENT, made and entered into this 30th day of January, A. D., 2016 by and between BLUYEAMA COMMUNITY FOREST MANAGEMENT BODY, representing BLUYEAMA CLAN, Zorzor District, Lofa County, hereinafter known and referred to as the "BCFMB", and SING AFRICAN PLANTATIONS LIBERIA INC., a Corporation organized and existing under the Laws of the Republic of Liberia, represented by its General Manager, Ms. Shivani Gupta, hereinafter known and referred to as "SING AFRICA PLANTATIONS LIBERIA INC.", hereby:

WITNESSETH:

WHEREAS, the Bluyeama Clan is the owner of the Bluyeama Community Forest in Zorzor District, Lofa County; and

WHEREAS, the Bluyeama Clan/Community has entered into an agreement with the Government of Liberia, by and through the Forestry Development Authority for the sustainable management and use of its forest resources in line with the Forestry Laws of Liberia; and

WHEREAS, the Bluyeama Clan has express its readiness to offer its forest for Commercial purposes in line with the requirements of the Community Rights Laws with Respect to Forest Lands, the Community Rights Law Regulations, the National Forestry Reform Law of 2009 and its attending regulations; and

WHEREAS, SING AFRICA PLANTATIONS LIBERIA INC. is a duly registered and qualified Company with a Pre-Qualification Certificate to engage directly or indirectly in logging in the Republic of Liberia; and

WHEREAS, SING AFRICA PLANTATIONS LIBERIA INC has represented to BLUYEAMA COMMUNITY FOREST MANAGEMENT BODY that it is disposed to manage its Community Forest for commercial purpose to further the development of the Bluyeama Clan and its people; and

WHEREAS, BLUYEAMA COMMUNITY FOREST MANAGEMENT BODY has consented and determined it to be in its best interest of the Bluyeama Clan for SING AFRICA PLANTATIONS LIBERIA INC to commercially manage its forest under this Community Forest Management Agreement.

NOW THEREFORE, for and in consideration of the premises, mutual promises, covenants and agreements herein contained, the Parties hereby agree as follows:

1. COMMUNITY FOREST AREA

The Community Forest Management area for the purpose of this Agreement is situated in Lofa County, Republic of Liberia and covers a total area of 44,444 hectares (Forty Four Thousand Four Hundred Forty Four) as detailed in Annex A.

2. DURATION OF AGREEMENT

This Community Forest Management Agreement shall be in full force and effect for a period of fifteen (15) years which shall commence immediately upon the signing of this Agreement between the Bluyeama Community Forest Management Body (BCPMB) and Sing Africa Plantations Liberia Inc. It is mutually understood and agreed that the Social Agreement and its implementation shall be subject to periodic review by the parties hereto every five (5) years during the life of this agreement.

3. FISCAL CONSIDERATION

The Parties hereto have made the following fiscal considerations for this Community Forest Management Agreement:

- 3.1 **SING AFRICA PLANTATIONS LIBERIA INC.** shall pay the amount of US\$ 1.25 (United States Dollars One 25/100) per hectare annually for land rental fee in accordance with the National Forestry Reform Law. This fee shall be paid directly to the Forestry Development Authority. The FDA in accordance with the Community Rights Law with Respect to Forests Land shall remit fifty five percent (55%) of the collected Land Rental to the BCFMB in a timely manner. SING AFRICA PLANTATIONS LIBERIA INC. shall inform BCFMB of its payment of the Land rental at the time of each payment.
- 3.2 **SING AFRICA PLANTATIONS LIBERIA INC.** shall pay the amount of US\$ 1.25 (United States Dollars One 25/100) for every cubic meter of log felled, to the BCFMB on a quarterly basis, regardless of whether or not logs felled are shipped. SING AFRICA PLANTATIONS LIBERIA INC. shall furnish the BCFMB with copies of Log Data Form (LDF), which shall serve as the official source to determine actual volume felled.
- 3.3 **SING AFRICA PLANTATIONS LIBERIA INC.** shall pay the amount of US\$3.00 (United States Dollars Three) per cubic meter to the BCFMB for every cubic meter of non-timber forest products (such as cam wood) shipped.

4. REQUIREMENTS BEFORE COMMERCIAL FELLING

It is mutually understood and agreed by SING AFRICA PLANTATIONS LIBERIA INC. and BCFMB that no commercial felling shall commence until the completion of the Community Forest Management Plan, the posting of Performance Bond, and the completion of the Environmental Impact Assessment.

5. SOCIAL AGREEMENT

The Bluyeama Clan, having identified its representative body, firstly the Community Assembly and the Bluyeama Community Forest Management Body (BCFMB), to represent it in accordance with the Community Rights Law with Respect to Forest Land and its regulations, shall ensure no other person outside of the BCFMB shall in anyway represent himself/herself/themselves as the authorized representatives of the clan in relation to any terms of this Agreement, including

financial payments or social obligations. It is mutually understood and agreed by SING AFRICA PLANTATIONS LIBERIA INC. and BCFMB that:

1. **BCFMB** has the power to negotiate on all affected community's behalf.
2. **BCFMB** shall provide a list of its members and be responsible to inform SING AFRICA PLANTATIONS LIBERIA INC., of any change to its membership immediately.
3. **BCFMB and SING AFRICA PLANTATIONS LIBERIA INC.** hereby agree and stipulate that the social commitment to the Bluyeama Clan shall follow the guidelines as prescribed by the Forestry Development Authority.
4. **SING AFRICA PLANTATIONS LIBERIA INC.** agrees to design its logging operations to minimize effects on traditional practices such as taboo day, sacred sites, and the range of taboo animals/plants, medicinal plants sites, hunting grounds, to the extent that they will respect the traditional practices, laws and regulations of the Bluyeama Clan.
5. **BCFMB** agrees to inform SING AFRICA PLANTATIONS LIBERIA INC., of all relevant traditional practices and regulations to ensure compliance.
6. **SING AFRICA PLANTATIONS LIBERIA INC.** agrees to ensure that water collection points are protected and maintained.
7. **SING AFRICA PLANTATIONS LIBERIA INC.** agrees that its timber operations shall be timed to minimize disruption to subsistence agricultural activities.
8. **SING AFRICA PLANTATIONS LIBERIA INC.** agrees that its timber operations shall respect the existing cash crops within the Community Forest Management Area.
9. **SING AFRICA PLANTATIONS LIBERIA INC.** agrees to participate substantially in community development programs (such as human resource development, construction of schools, clinics, etc....
 - A. **School:** The Company shall build three schools, (two Junior High Schools and one Senior High School). The construction site is to be determined by the community. Construction is to start in year three (3) and end in year four (4) of the implementation of this Agreement.
 - B. **Clinic:** The Company shall construct two (2) clinics in the affected communities. Clinics constructed shall begin in year five (5) and end in year six (6) of the implementation of this Agreement.
 - C. **Human Resource:** SING AFRICA PLANTATIONS LIBERIA INC shall provide scholarships annually to fifteen (15) University students from the affected communities.
10. **BCFMB** agrees to conduct a community wide sensitization of all affected communities to assess various community needs. Once this list is completed, the list shall be submitted to SING AFRICA PLANTATIONS LIBERIA INC. for comment and response. It is clearly understood that any community projects shall be submitted for negotiation and that in general, the participation of SING AFRICA PLANTATIONS LIBERIA INC should be materials and logistics, and the community participation should be manpower and supervision.
11. **SING AFRICA PLANTATIONS LIBERIA INC.** agrees to assist the Community or member/members thereof with transportation during emergency situation and major development activities. SING AFRICA PLANTATIONS LIBERIA INC. and BCFMB agree that the community can request transportation in the event of emergency.

12. **SING AFRICA PLANTATIONS LIBERIA INC.** agrees to build company camps near existing towns or dependent areas, to the extent feasible.
13. **SING AFRICA PLANTATIONS LIBERIA INC.** agrees not to harvest palm trees for processing, bridge construction and/or export.
14. **SING AFRICA PLANTATIONS LIBERIA INC.** agrees to construct logged bridges on secondary roads using solid durable wood like Ekki or other hard wood for longer life. All housing units and buildings at the camp site shall be constructed of at least dirt block and plastered with concrete cement wherever possible.
15. **SING AFRICA PLANTATIONS LIBERIA INC.** agrees that within the first six (6) years of this Agreement, it shall connect all of the twelve (12) current towns of the Bluyema Clan with suitable and durable road network.
16. **SING AFRICA PLANTATIONS LIBERIA INC.** agrees that the Community shall use, free of charge, any roads constructed and/or maintained by **SING AFRICA PLANTATIONS LIBERIA INC.** provided, however, that such use shall not unduly prejudice or interfere with either party.
17. **BCFMB** agrees to educate the entire community that once any road and bridge is constructed, it becomes the responsibility of the Community and **SING AFRICA PLANTATIONS LIBERIA INC.** to maintain them.
18. **SING AFRICA PLANTATIONS LIBERIA INC.** agrees to have **BCMB** representative(s) monitor and verify production. All expenses of this representative(s) shall be at the expense of the **BCMB**.
19. **SING AFRICA PLANTATIONS LIBERIA INC.** agrees to provide first preference for employment for skilled and unskilled labor to the dependent communities in the boundaries of the commercial logging area.
20. **SING AFRICA PLANTATIONS LIBERIA INC.** agrees to afford equal opportunities for the employment of women in the skilled and unskilled labor force in the commercial logging area.
21. **BCFMB** agrees that it shall operate completely within the guidelines and regulations prescribed by Forestry Development Authority.
22. **BCFMB** agrees that the Community shall be educated to avoid the expansion of subsistence agriculture activities within the commercial area, and that whenever necessary assist any existing agricultural activity to relocate.
23. **SING AFRICA PLANTATIONS LIBERIA INC.** agrees to assist with the clearing of land for any farming or agricultural activity relocation.
24. **BCFMB** agrees to educate the community to discourage unnecessary fire disposal and encourage fire safety practices especially in contract area.

6. NON-TIMBER FOREST PRODUCTS

All non-timber forest products within the commercial logging area shall be under the control of **SING AFRICA PLANTATIONS LIBERIA INC.**, except for local consumption. No non-timber forest product shall be extracted unless its extraction does not interfere with the production of regular timber products.

7. OBLIGATIONS OF SING AFRICA PLANTATIONS LIBERIA INC.

7.1 SING AFRICA PLANTATIONS LIBERIA INC. must ensure that all of its operations and activities are in full compliance with the laws of Liberia.

7.2 SING AFRICA PLANTATIONS LIBERIA INC. must ensure respect for all local customary laws.

7.3 SING AFRICA PLANTATIONS LIBERIA INC. must ensure transparent reporting to BCFMB at all times during the life of this Agreement.

7.4 SING AFRICA PLANTATIONS LIBERIA INC. shall construct, as a matter of priority, an international standard bridge, crossing the Via River at an area of commercial importance to the community. It is clearly understood that the community has interest that the bridge should be constructed as close to the clan capital town of Wumai, the maximum consideration given to the shortest width of the river, and least flooding area. This bridge shall be constructed in three (3) phases – i.e.

Phase one: Evaluation. An engineering team shall study the Via River area, and conclude on the location, type of bridge, and cost. This process shall be concluded within the first year of operation.

Phase Two: Preparation. SING AFRICA PLANTATION LIBERIA INC. shall prepare the area selected for the construction. This shall include relocation of affected families, road clearing and building. This process shall be concluded within the second year of operation.

Phase Three: Construction. The actual construction of the bridge shall begin. The conclusions of the engineering team plan for the construction shall determine the completion date; however, SING AFRICA PLANTATION LIBERIA INC., shall exert every effort to complete the bridge within two (2) years as of the actual starting date. The construction of this bridge shall start in year four (4) and ends in year six (6)

8. OBLIGATIONS OF BLUYEAMA CLAN

8.1 The community shall ensure that BCFMB shall be the sole entity responsible for official interaction with SING AFRICA PLANTATION LIBERIA INC., to avoid any misunderstanding.

8.2 The community shall ensure that it performs and maintains full education and information to its clan members to avoid confusion arising from operation.

8.3 The Community must ensure full access to SING AFRICA PLANTATION INC. to the contracted area at all times for the duration for this Agreement.

8.4 The Community shall protect SING AFRICA PLANTATION LIBERIA INC., from any challenges to its right to manage the contractual area, whether legal, cultural or otherwise, that may arise during the life of this agreement.

8.5 The Community shall ensure that materials, such as sand, gravel, etc., be made available without charge of any kind for SING AFRICA PLANTATION INC.'s use for building camp sites, housing units, building and road work within the community forest area. In the case of access roads leading to the community forest area, the Community shall be responsible to ensure that the same materials are available for the affected community forest area, the Community shall be responsible to ensure that the same materials are

available for the affected communities' areas, also without charge to SING AFRICA PLANTATION LIBERIA INC.

9. FORCE MAJEURE

The parties mutually agree that in the event SING AFRICA PLANTATION LIBERIA INC. is prevented from performing this Agreement as contemplated and provided herein due to force majeure, this Agreement shall be extended by the period of such force majeure on the request of SING AFRICA PLANTATION LIBERIA INC. Force majeure as used herein is defined as any event beyond the reasonable control of SING AFRICA PLANTATION LIBERIA INC, including, but not limited to Acts of God, war, elements of war, civil commotions, armed incursion, armed insurrection, land dispute(s) and fire not attributed to the conduct or negligence of SING AFRICA PLANTATION INC. management, agent and affiliate, which SING AFRICA PLANTATION LIBERIA INC could not have reasonably anticipated or could have been expected to prevent or control.

10. DISPUTE SETTLEMENT

- 10.1 Any dispute connected with the formation, performance, interpretation, nullification, termination or invalidation of this agreement or arising from, or related to this agreement in any manner whatsoever which cannot be resolved through the direct consultations and negotiations by and between the parties shall be referred to arbitration by the affected party
- 10.2 Arbitration shall be conducted by an arbitral panel of three (3) persons; one (1) arbitrator shall be named by the parties hereto. The third arbitrator, who shall act as chairman of the arbitral panel, shall be the Managing Director of the Forestry Development Authority or his/her designated representative
- 10.3 The Arbitration shall be conducted in keeping with arbitral rules under Liberian laws. Each Party shall be responsible for, and shall pay the fees expenses of its appointed/designated arbitrator. The fees and expenses of the third arbitrator, shall be shared on equal basis by the parties, while the cost and expenses of the arbitration proceeding itself shall be assigned by the arbitral as it fit and shall be paid by the party adjudged liable to the other or in default of Agreement.
- 10.4 A decision by the majority of the arbitral panel shall be binding on the parties and enforceable in court of law without delving into the merit of the dispute or the award
- 10.5 In invoking arbitration, a party of this Agreement shall give written notice to other party, stating the nature of the dispute and appointing its arbitrations. The other party must appoint its arbitrator and state its responses to the dispute as stated by the party giving the notice of arbitration within ten (10) days after notice to the chairman, the arbitral panel shall commence its work and shall work every day until a decision is arrived at and rendered.

11. GOVERNING LAW

The relevant laws of Liberia, including, but not limited to, the National Forestry Reform Law, Community Forest Law and other local laws shall govern this agreement.

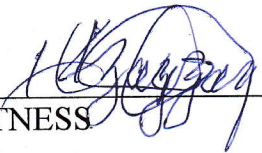
12. BINDING EFFECT

This Agreement shall be binding on the parties, their successors in office as if they were

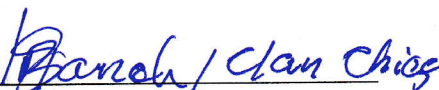
Physically present at the execution of this instrument.

IN WITNESS WHEREOF WE HAVE HEREUNTO AFFIXED OUR SIGNATURES ON THE DAY AND DATE FIRST MENTIONED ABOVE.

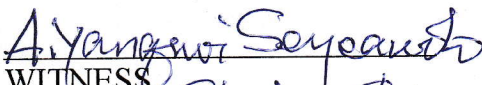
For : The Blulyeama Community Forest Management Body (BCFMB)

 PC
WITNESS


By: P.P. Morris Kpadeh
John V. Kokru
Chairman, BCFMB


WITNESS

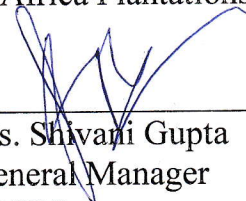
By: Morris Kpadeh
Morris Kpadeh
Co-Chairman, BCFMB



WITNESS
Chair-Executive

By: Yassa Barwa
Member


(C.R.S. RAO)
VP-OP
MSA

For Sing Africa Plantations Liberia Inc.


Ms. Shivani Gupta
General Manager
SAPLI

Approved: 
Hon. Harrison S. Karnwea
Managing Director
Forestry Development Authority