



Private Use Permit Contract

Between The
Forestry Development
Authority



The People of Gibi District Margibi County

F.D.A

P.O. Box 10-3010

Whein Town, Mt. Barclay 1000 Monrovia, 10 Liberia

January 19, 2011







REPUBLIC OF LIBERIA) MONTSERRADO COUNTY)

PRIVATE USE PERMIT CONTRACT BETWEEN THE FORESTRY DEVELOPMENT AUTHORITY AND THE PEOPLE OF WHORHN, GIBI DISTRICT, MARGIBI COUNTY, FOR THE HARVESTING OF 22,162.8 HECTARES OF FORESTLAND

A.D. 2011, by and between the Government of Liberia, through the Forestry Development Authority, hereinafter referred to as the **Authority**, represented by its Managing Director, Moses D. Wogbeh Sr., and the People of Whorhn, Gibi District, Margibi County, hereinafter referred to as **WHORHN represented** by District Commissioner Amos Boye, Paramount Chief Watson Vorvor, Women Chairlady Mary Menyongai and Youth Leader Sham Menyongai, hereinafter collectively the Parties, hereby;

WITNESSETH:

WHEREAS, the Authority is statutorily responsible for the sustainable management and use of all categories of forest resources;

WHEREAS, the People of Whorhn are legitimate owners of a tract of forestland of 54,764.3 acres/22,162.80 hectares by virtue of inheritance through a legitimate purchase from the Republic of Liberia;

WHEREAS, by virtue of Section 5.6 (d) (i) of the National Forestry Reform Law (NFRL) of 2006, copy of a duly certified Public Land Sale Deed issued on September 10, 1953 under the signature of President William V.S. Tubman, in proof of ownership of the subject tract of land is hereto attached and marked Exhibit "A" to form a cogent part of this Permit;

WHEREAS, in further verification of the subject property, the Ministry of Lands, Mines & Energy finally gives authentication and verification to the said Whorhn, Gibi Distret Deed through a letter under the signature of Acting Assistant Minister Maxwell C.F. Gwee. Attached also is the said verification letter marked Exhibit "B" with accompanying documentations from the Resident Surveyor of Margibi County, Henry K. Larmandine, to form an integral part of this Contract;

WHEREAS, validation of the area in keeping with Section 5.6 (d) (ii) of the NFRL and Section 61 of FDA Regulation 102-07 shows that the said tract of land is suitable for commercial forestry. Said validation report is hereto attached and marked Exhibit "C" to form also an integral part of this contract;

WHEREAS, Whorhn is desirous of commercializing harvestable tree species on the said tract of 22, 162.8 hectares of land;

WHEREAS, the Authority having examined Whorhn's application and the requirements of Section 5.6 of the NFRL having been met, declares Whorhn qualified for issuance of a Private Use Permit that will allow it enter into contractual agreement with a company or corporation to carry out said commercial activities;

NOW, THEREFORE, for and in consideration of the mutual promises and agreements herein contained, the parties do hereby agree as follows:

1. Definitions

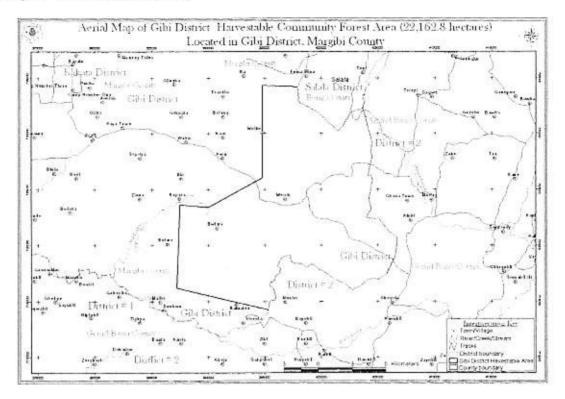
- a. Authority: The Forestry Development Authority (FDA) created by an Act of the Legislature on November 1, 1976.
- Annual Operations Plan: the plan that guides the annual operations of the Holder
- c. Chain of Custody: the path of custodianship followed by logs, Timber and wood products through harvesting, transport, interim storage, processing, distribution and export from source of origin in the forest to end use.
- d. Code of Forest Harvesting Practices: a set of standards for environmentally sound forest use prepared by the Authority
- e. Conservation: the sustainable management and protection of forest resources to achieve maximum environmental, social, economic and scientific benefits for present and future generations
- f. Forestry: the science, art and practice of conservation of forest resources
- g. Forest Resources License: any legal instrument pursuant to which the Authority allows a person, subject to specified conditions, to extract forest resources or make other productive and sustainable use of forest land. This includes Forest management Contracts, Timber Sale Contracts, Forest Use Permit and Private Use Permit.
- h. Forestland: a tract of land, including its flora and fauna capable of producing forest resources, or land set aside for the purpose of forestry, but not including land in permanent settlements and land that has been in long term use for non-shifting cultivation of crops or raising livestock.
- i. Forest Product: any material or item derived from forest resources.

- Forest Management Contract: forestry contract which covers a land area of 50,000 - 400,000 hectares.
- k. Holder: a person who holds a valid forest resources license
- Land Owner: a person who owns land by legal title
- m.Operator: a person harvesting or making commercial use of forest resources under a forest resources license, including a person working as an employee, contractor or other agent for a Holder.
- n. Pre-Felling Operations: legal requirements of the Holder before felling of logs. They include posting of required performance bond; preparation of initial annual operations plan and preparation of environmental impact assessment.
- Private Use Permit: a forest resource license issued by the Government to allow commercial use of the forest resources on private land.
- p. Public Use Permit: a forest resource license issued to extract forest resource from an area less than 1000 hectares.
- q. Reforestation: the establishment of a tree plantation in a previously forested area that has been affected by cutting, fire, or some other act of tree removal.
- r. Societe Generale de Surveillance (SGS): the institution/company responsible to manage the Chain of Custody System.
- s. Timber Sale Contract: a short term forest resources license issued by the Government for a period of three (3) years that allows a person to harvest timber from a specified tract of forest land.

2. Metes and Bounds/Technical Description of Whorhn Forest Land & Map

Starting from Harris Town, thence a line runs S 22° E for 2,880 meters to a point; thence a line runs Due West for 3,064.4 meters to a point; thence a due South for 8,293.6 meters to a point; thence a line runs S 60° W for 5,468 meters to a point; thence a line runs N 85° W for 2,543 meters to a point; thence a line runs S 2° W for 7,482 meters to a point; thence a line runs S 77° E for 8,339 meters to a point on the Margibi and Grand Bassa border, thence along said border a line runs Northward for 42,580 meters to the point of COMMENCEMENT, embracing 54,764.3 acres of land located in Gibi District, Margibi County.

Map of Whorhn Forestland



3. Contract Objective

- To harvest merchantable tree species from 22,162.80 hectares of tract of land otherwise called the Whorhn Forest Land
- b. To engage in reforestation of the area involving indigenous species
- c. To create alternative uses of the tract of land after harvesting of trees
- d. To create employment for about 200 locals of the contract area and surrounding towns and villages.

4.

Contract Duration

The contract shall be for 13 years.

5.

Chain of Custody System

In keeping with Section 13.5 of the National Forestry Reform Law of 2006 and sections (1-35) of FDA Regulation 108-07, the Chain of Custody System will apply during the life and implementation of this contract. The system so established for the tracking of logs, timber and wood products from forest to processing and then to domestic or foreign market shall be managed by Societe Generale de Surveillance (SGS) using SGS/Helveta equipment and software as provided for by section 3.2 (3) of the Chain of Custody System Management Contract of 2007.

6.

Land Rental & Stumpage Tax

Consistent with Section 5.7(b) of the National Forestry Reform Law of 2006, the Company shall not be charged to pay land rental tax. However, stumpage shall be paid consistent with Section 5.7 (c) of the National Forestry Reform Law and also consistent with Section 22(b) of Regulation 107-07.

7.

Other Fees & GOL Taxes

All other fees and GOL Taxes levied on the project shall be consistent with the Revenuc Law of Liberia and FDA Regulation.

8.

Pre-felling Date

Before Company is certified for felling, all pre-felling operations including the following must be completed:

- a. Posting US\$50,000.00 performance bond
- b. Submission of initial annual operations plan
- c. Environmental Impact Assessment
- d. Social Agreement

9.

Employment

Recruitment and employment by the Company shall be consistent with Labor Law of Liberia and International Labor Organization.

10.

Termination

This contract shall be terminated if the company upon notice of breach of any term of this Contract fails to remedy said breach within a period of (60) sixty days.

11.

Force Majeure

In the event of force majeure, which causes either party from meeting its obligations herein stated, the Contract shall be suspended as long as the force majeure continues.

12.

Duty of Care

The Authority shall ensure that the Company maintains environmental quality of the cutting area and comply with all other conditions consistent with the Liberia Code of Harvesting Practices to include:

- a. Water course protection
- b. Erosion prevention
- Prevention of pollution to rivers, streams and other waterways by disposal of wastes
- d. Prevention of fire disaster

The operation shall also be in conformity with international conventions to which Liberia is a party. They include: the Convention on Biodiversity, the International Tropical Timber Agreement, the United Nation Framework Convention on Climate Change, the United Nations Convention to Combat Desertification, the Convention on International Trade In Endangered Species and the RAMSAR Convention on Wetland Management

13.

Governing Laws

In effecting this Contract between the Corporation and the Authority, the relevant Laws of Liberia including but not limited to the National Forestry Reform Law and regulation governing Chain of Custody will prevail.

14.

Binding Effect

This Agreement is binding on the parties, their successors-in-office as if they were physically present at execution of this instrument.

In witness whereof, we have affixed our signatures on the day and date first mentioned above.

FOR THE AUTHORITY

Winess

Approved:

Mosek D. Wogbeh, Sr.

Managing Director

FOR THE PEOPLE OF WHORHN, GIBI DISTRICT

COMMISSIONE

Youth Leader Sham Menyongai

Paramount Chief

Women Leader Mary Menyongai

Approved Florence Chenoweth

Chairman-FDA Board of Directors

GIBI DISTRICT COMMUNITY

Margibi County Republic of Liber**i**a

June 10, 2010

Hon. Moses D. Wogbeh, Sr

Managing Director

Forestry Development Authority (FDA) Whein Town, Mt. Barclay Monrovia, Liberia West Africa

Dear Hon. Wogbeh:

We the Citizens of Gibi District are requesting the Management of the Forestry Development Authority (FDA) to grant us a Private Use Permit (PUP) to be able to harvest Species of trees on our forest land that covers about 65,463 acres.

4 m

We pray and hope that our request will be granted.

Very truly yours,

Hon. Amos Z. Boyer

District Commissioner

Gibi Dirstrict

Edil A "A" By Anta John 21/10/80

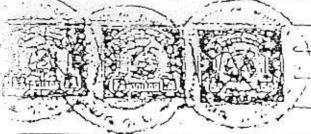
727-1-177

THIS IS TO CERTIFY THAT the within document is a true and correct copy of a ABORLGINEES' GRANT from the Republic of Liberia to Chief watson Vorvor, Elders and Citizens of Gibt Chiefdom as recorded in Vol. 66B pages 60-61 of the records of Montserrase County, filed in the Archives of the Einister of foreign affirms.

Ministry of Foreign Affairs this last day of Adgust A.D. 1979 and of the theory

Third.

ACTING MINISTER OF PORFIGE AFFAIRS



~ ~ ~

4G).

Country to sacrt civilization and the best means thereto is in fee simple to all those showing themselves fit to be entrained with the rights and duties of full citizenship as voters and a Chief watson Vorvor, Elders and Citizens of Gibi Chiefdom.

Trai Province has showing themselves to be fit trusted with series and duties, Now therefore know Ye that I william V.S. President of the Republic of Liberia, for and in consideration various duties of citizenship hereinafter to be legally periods and above named mentioned, I william V.S. Pubmen President feedback of Liberia for myself and my successors in Cifice.

mansed, and by these presents do give, grant and confirm

and bearing in the authentic records of said Chiefuon the site of land situated, lying and being in bit the said bounded and described as follows:— Commencing at a point the immediate vicinity of woekpeh Town said being the near bottom of a large Soap tree and running on magnetic bearing as follows:— The immediate vicinity of workpeh Town said being the near bottom of a large Soap tree and running on magnetic bearing as follows:— The immediate vicinity of said to a point; there are not also represented the said that it is read to the said containing of a point; there are not a point; there are not a point; there are not said the said containing of a point; there are not said that it is read to the said containing of a point; there are not said that are not said the buildings, improvements and apparts and a point; the buildings, improvements and apparts and a lititude of said Chiefdom their heirs, executors, auministrators or assigns forever, and I the said william V. >. Tubman Presidented and a point of the said of the said william V. >. Tubman Presidented and a point of the said of the said william V. >. Tubman Presidented and a point of the said william V. >. Tubman Presidented and a point of the said william V. >. Tubman Presidented and a point of the said william V. >. Tubman Presidented and a point of the said william V. >. Tubman Presidented and a point of the said william V. > Tubman Presidented and a point of the said william V. > Tubman Presidented and a point of the said william V. > Tubman Presidented and a point of the said william V. > Tubman Presidented and a point of the said william V. > Tubman Presidented and a point of the said william V. > Tubman Presidented and a point of the said will be said will

anie Johnico toert were, Executivate elippolitication that at any until the ensembing hereof I the rate willian Inhman President as aforessic by virtue of my office and lawful authority to convey the aforesaid premises in Jeesimple. And I the said William V.S. Tubman President as aforest and my successors in Office will forever warrant and Defend and Chief matson Vorvor, Elders and Citizens of said Chiefdom that heirs, executors, administrators or assigns against any person persons claiming any part of the above granted premises. IN WITNESS WHEREOF I the said ". 7. - . Tubman President of Liberia have here unto set my hand and caused the and the Aspublic to be alfilled Inda of September A.J. 1359 Ave de Republic the 106 year. sga. v.V.S. Tubman President ENDORSEMBAT ABORIGINES GRANT from Republic of Liberia to Chief watson Veryer.

ABORIGINAS GRANT from Republic of Liberia to Chief watson Very Lader and Citizens of Gibi Chiefdom, "Let this be Registere." = I. Van Fiske Commissioner of the Monthly and Probate Jourt, AC. = From this 15th day of October A.D. 1953, sgr. Susanna D. Willer of the Conthly and Probate Court, Mo. Co. Registered according to law in 66B pages 60-61 sgu. Reuben B. Logan. Register, Mo. 2.

December 7, 2010

Hon. Moses D. Wogbeh Sr, Managing Director Forestry Development Authority Monrovia, Liberia

Dear Hon. Wogbeh:

Compliments and best wishes from the Ministry of Lands, Mines and Energy.

According to reports from the Resident County Surveyor of Margibi County, which is attached and that which the Department of Lands, Survey and Cartography up-holds, we are pleased to inform you that said exercises have been completed. We therefore urge the Forestry Development Authority (FDA) to proceed in granting the Private User Permit (PUP) to the people of Gibi District in particular Chief Watson Vorvor, Elders and Citizens of Gibi Chiefdom.

I trust that you shall find the above useful and remain committed in cooperating with the FDA in such endeavor.

Kind regards.

Sincerely yours,

Maxwell C. F. Gwee Acting Assistant Minister Department of Lands, Survey and Cartography

Attachments:

FROM

: Hon, Henry K. Larmadine

Resident County Surveyor Margibi County, R/L.

TO

: Hor. George Y. Miller

Assistant Minister

Lands, Survey & Cartography Ministry of Land Mines and Energy

Republic of Liberia

DATE

: November 22, 2010

SUBJECT

: Verification & Reconnaissance Survey of 65,445.00 acres of land in

Whorhn Gibi District, Margibi County.

Sir, during my visit to Whorlin Gibi District on November 19-20, 2010, I verified that the deed of 65,445.00 acres of Aboriginces' grant for the Republic of Liberia to the citizens of said district is very genuine, there is no dispute over the Forest. It is the communities through the local authorities and the county authority that presently invited the Akewa group of company to come and carry out logging activities in their area.

In view of this, I recommend that the private use permit should be issued to the Akewa group of Company.

Said property is sharing common boundaries with Grand Bassa County on the South Eastern side along the Farmington river and also Bong County on the North Eastern side along the LUOF. Creek.

The 65,445.00 acres of land is owned by the following Towns and Villages:

- Gbassive Town
- Beah
- Whogbar
- 4. Gbolev
- 5. Swazon
- 6. Galawoe
- 7. Williw
- 8. Kpelle Jacob "
- 9. Poye
- 10 Nuah
- 11. Whorhn (The Head Quarter)

VILLAGES:

- 1. Koko Village
- George Village
- 3. Saturday Village
- 4. When Village

Please find attached copy of the local authorities Signatures which is self-explanatory, and also copy of District Map for said area.

1 14.0



OFFICE OF THE RESIDENT COUNTY SURVEYOR MINISTRY OF LANDS, MINES & ENERGY MARGIBI COUNTY



MEMORANDUM

To

Akewa Groups of Company

From

Harry K. Lamadine

Lesident County Surveyors

Margibi County

Subject

VERIFICATION AND RECONNAISSANCE

SURVEY 65,446.00 ACRES OF LAND

IN WORHN, GIBI DISTRICT, MARGIBI

COUNTY

Date

November 22, 2010

During my visit to Worhn, Gibi District on November 19th-20th, 2010 The Citizen, Elders, Chiefs, Government Officials of Worhn, Gibi District, Margibi County agree and signed a document of 65,446.00 Acres of land to the Akewa Groups of Company through the F.D.A. Management and the Government of Liberia to carry out logging in said District.

Signed by the below listed persons:

1. Hon. Amos Boye, District Commissioner

2. Hon. Watson Vorvor, Paramount Chief

3. Mary Menyongai, Chair Lady

Sham Menyongai, Youth Chairman 1 β

"D" todidas



Forestry Development Authority P.0. Box 10-3010

Whein Town, Mt. Barclay Montserrado County Monrovia, Liberia

MEMORANDUM

TO:

Moses D. Wogbeh

Managing Director,

Forestry Development Authority

FROM:

Technical Team

Subject:

Validation Report of Deeded Land Property in Margibi County

DATE:

August 22, 2010

Background

Predicated on a written communication dated June 10th 2010 from the Citizens of Gibi District, under the signature of Hon. Amos Z. Boyer, District Commissioner requesting the Forestry Development Authority to authenticate, verify and issue Private Use Permit (PUP) for a Public Land Sale deed in Southern Liberia. A team of technicians from the FDA, headed by Michael M. Farmer was mandated by FDA management to visit the area for detail ground truthing and authentication of the area for management's reaction.

Field Patrol

During the period August 10-20, the joint team patrolled a significant portion of the area and gathered detail information relating to on going multiple uses of the area, types of vegetation and livelihood of community dwellers within the parameters of the forests. The GIS Officer and Surveying crew of Scientific Research and Development handled all technical issues relating to the deed location, boundaries and commencement/starting points.

Findings

Following an intensive tour by the technicians, we observed and authenticated that:

- Indeed the Gibi District deeded land does not overlap with any of the designated land use proposed by FDA.
- The Gibi deed does not share common boundary with any concession area.
- Large portion of the area is suitable for harvesting (commercial logging).
- * Topographically, the entire land mass of deed submitted to FDA is relatively flat with few major water ways.
- The area is truly located in Gibi District Margibi County.
- The size of the area requested by the citizens of Gibi district for harvesting is greater than the actual harvestable area (area requested for 26,495.95 hectares, actual harvestable area 22 /62 8// hectares).
- Technically, the Metes & Bounds of the harvestable area of the deed is correct.

Recommendation

In view of the verification and confirmation of these documents by the Forestry Development Authority, coupled with our ground truthing (August 10-20, 2010), we herein recommend that:

- That the deed be forwarded to the Ministry of Lands, Mines & Survey, especially the Minister of Lands, Mines and Energy for authentication. After authenticating the deed and found legitimate, the FDA should perform the below activities:
- # As per National Forestry Reform Law (NFRL) of 2006 provision in chapter five section 5.6, we therefore recommend that FDA Management issue a Private Use Permit for Land totaling 54,764.30 acres/22,162.8 hectares to the people of Gibi district in compliance with all relevant requirements of this section (particularly section 5.6 c (i,ii,iii) and d (i,ii,iii,iv,v,vi) respectively.

Cc/ AMDA Law Office TM Research & Development TM Commercial Department File