

Private Use Permit
Contract
Between The
Forestry Development
Authority
&
*The People of
Gbao District
Grand Gedeh County*

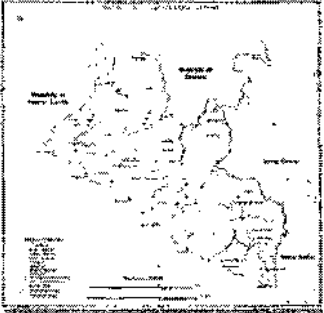
F.D.A.

P.O. Box 10-3010

Forest Team, Mount Barclay

Monrovia 10 Liberia

Friday, August 12, 2011





REPUBLIC OF LIBERIA)
MONTERRADO COUNTY)

PRIVATE USE PERMIT CONTRACT BETWEEN THE FORESTRY DEVELOPMENT AUTHORITY AND THE PEOPLE OF GBAO DISTRICT, GRAND GEDEH COUNTY, FOR THE HARVESTING OF 17,639 HECTARES OF FORESTLAND

THIS CONTRACT made and entered into this 12th day of August 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 Gbao Administrative District, Grand Gedeh County, hereinafter referred to as Gbao, represented by the District Forest Management Committee by and thru Senior Citizen, **Mr. Emmanuel Kai**, hereinafter collectively the Parties, hereby;

W I T N E S S E T H:

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

WHEREAS, the People of Gbao are legitimate owners of a tract of forestland of **17,639 hectares** by virtue of inheritance through a legitimate purchase from the Republic of Liberia;

WHEREAS, the Gbao Administrative District encompassing of Jaladaye and Wromei clans made an application to the Authority on **March 17, 2011** on behalf of said citizens for the issuance of a Private Use Permit to commercialize their deeded forested land as can be seen from copy of said letter hereto attached and marked Exhibit "A";

WHEREAS, by virtue of Section 5.6 (d) (i) of the National Forestry Reform Law (NFRL) of 2006, copy of a duly certified **Aborigine's Grant Deed issued in 1974 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 "B" 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 **Bodae Deed** through a letter under the signature of Assistant Minister Maxwell C.F. Gwee. Attached also is the said verification letter marked Exhibit "C" 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 "D" to form also an integral part of this contract;~~

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M.D. Wogbeh Sr.
Emanuel Kai
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WHEREAS, Gbao is desirous of commercializing harvestable tree species on the said tract of 17,639 hectares of land;

WHEREAS, the Authority having examined Gbao's application and the requirements of Section 5.6 of the NFRL having been met, declares Gbao 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.
- b. 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

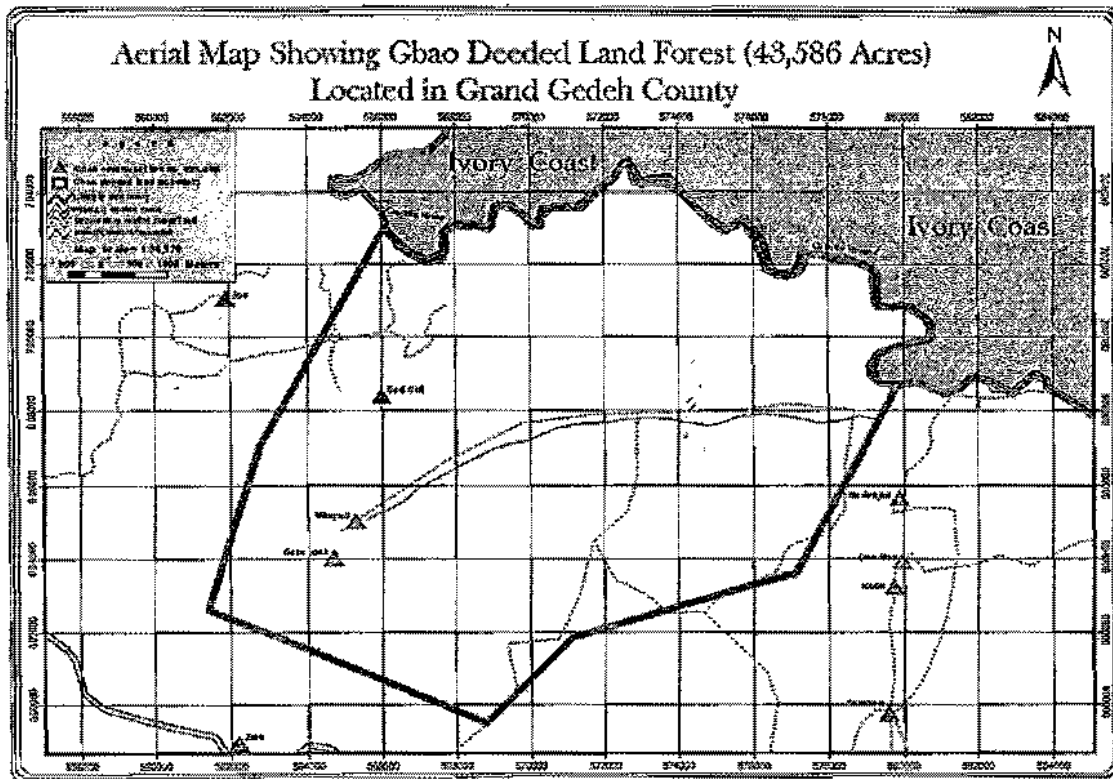
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- j. Forest Management Contract: forestry contract which covers a land area of 50,000 – 400,000 hectares.
- k. Holder: a person who holds a valid forest resources license
- l. Land Owner: a person who owns land by legal title
- m. Operator: a person 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.
- o. 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 Gbao District Forest Land & Location Map

Commencing at a point near the Cavalla River which forms the boundary between Liberia and Ivory Coast; thence a line runs S 30° W for 22,648 feet to a point; thence a line runs S 16° W for 15,400 feet to a point; thence a line runs S 67° E for 26,406 feet to a point; thence a line runs N 44° E for 10,737 feet to a point; thence a line runs N 73° E for 21,246 feet to a point; thence a line runs N 27° E for 18,698 feet to the point on the Cavalla River; thence a line runs along the Cavalla River in the Western direction for 78,108 feet to the point of commencement, containing 43,586 acres of land.

Map of Gbao Forestland



3. Contract Objective

- a. To harvest merchantable tree species from 17,639 hectares of tract of land otherwise called the Gbao 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 300 locals of the contract area and surrounding towns and villages.

HJD
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4. **Contract Duration**

The contract shall be for twenty eleven (11) years, the land area being as TSC.

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 Revenue 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 Contract

9. **Employment**

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

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.

9. 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.

10. 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
- c. 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

11. 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.

12. 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



Witness

Approved:



Moses D. Wogbeh, Sr.
Managing Director



FOR THE PEOPLE OF GBAO ADMINISTRATIVE DISTRICT



Emmanuel Kai



Joseph Davis

Approved 

Florence Chenoweth
Chairman-FDA Board of Directors





Recd: March 23, 2011



Atlantic Resources Limited

P.O. Box 5485, Randall Street, Monrovia, Liberia, West Africa. Tel: 00231-5-537554

March 17, 2011

Hon. Moses D. Wogbeh, Sr.
Managing Director
Liberia's Forestry Development Authority
Whein Town
Monrovia, Liberia

Dear Hon. Director:

We are delighted to inform you that the citizens including the Superintendent, Representative, and Commissioner of Tchien mengna, B'hai, Sam Gbalor, Bodao, Jeadapo, Kulu Shaw Boe, Tarsue sehnkwehn and Cavalla Districts, River Cess, Sinoe and Grand Gedeh Counties met in a citizens meeting for the sole purpose of discussing the possibility of granting ATLANTIC RESOURCES Ltd, a registered company operating under the Laws of the Republic of Liberia, the right to sustainably manage and exploit the forest on their deeded land.

Hon. Director, after lengthy deliberations, it was agreed that Atlantic Resources Limited be given the right to manage said forest in their beloved Counties. In reaching this conclusion Hon. Wogbeh, we were mindful and also took into consideration that your institution through the Government of Liberia awards Private Use Permit to us in these Counties as part of your forest management strategy and in line with the New Forestry Law of Liberia.


Against this backdrop Hon. Director, we are submitting a legal documentation, including MOU, deeds and technical location of said forest to your good office for the purposes of issuing us a *Private Use Permit (PUP)*, in consonance with the New National Forestry Law of 2006.

Thanks in advance for your continued understanding.

Sincerely yours

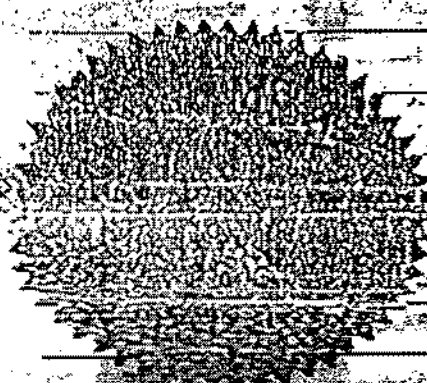

Augustus Abram
Planning Manager (ARC)

Kan/w,
where are these areas
located in terms of the
proposed protected areas
by the Forest Reserve
in details and order
management accordingly


31/03/2011
MMA

THIS IS TO CERTIFY THAT the within document is a true and correct copy of ABORIGINEES GRANT from the Republic

of Liberia to the Chief, Elders and Citizens of Gbao Chiefdom as recorded in Vol. 66B pages 50-51 of the records of Montserrat County, filed in the Archives of the Ministry of Foreign Affairs.



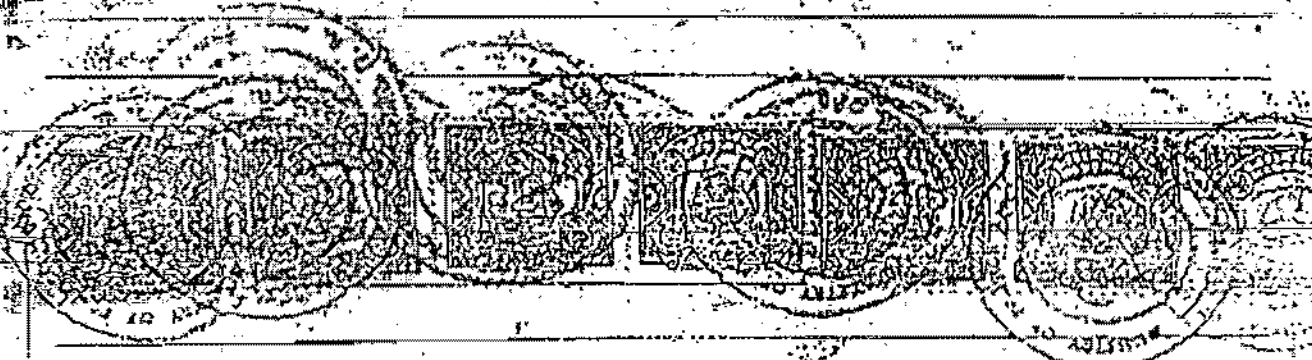
GIVEN UNDER MY HAND and Seal of the Ministry of Foreign Affairs this 20th day of July A.D. 1975 and of the Republic the One Hundred and Twenty-Seventh.

Cecil Dennis, Jr.
C. Cecil Dennis, Jr.

MINISTER OF FOREIGN AFFAIRS.

CHECKED BY:

Augustine D. Bellah
Augustine D. Bellah
DIRECTOR OF ARCHIVES.



Tubman President as aforesaid for myself and my successors in

Office do covenant to and with the said Chief, Elders and Citizens
of said Chiefdom their heirs, executors, administrators or assigns

that at and until the ensembling thereof I the said William V.S.

Tubman President as aforesaid by virtue of my Office had right

and lawful authority to convey the aforesaid premises in fee simple

and I the said William V.S. Tubman President as aforesaid and my

successors in Office will forever Warrant and Defend the said Chief,

Elders and Citizens their heirs, executors, administrators or

assigns, against any person or persons claiming any part of the

above granted premises.

IN WITNESS WHEREOF I the said W.V.S.

Tubman President of Liberia have hereunto

set my hand and caused the Seal of the

Republic to be affixed **this 20th day of**

October A.D. 1953 and of the Republic

the 106 year.

sgt. W.V.S. Tubman

President

E N D O R S E M E N T

ABORIGINEES DEED from Republic of Liberia to Chief, Elders and

Citizens of Gbao Chiefdom, Lot No. situated in Gbao Chiefdom, South

Eastern Province, "Let this be Registered" sgt. J. Everett Bull

Commissioner of the Monthly and Probate Court, Mo.Co. Probated this

28th day of October A.D. 1953, sgt. A.T.G. Appleton Clerk of the

Monthly and Probate Court, Mo.Co. Registered according to law in

Vol. 1000 pages 20-21, sgt. Rueben H. Logan, Registrar, Mo.Co.

REPUBLIC OF LIBERIA

KNOW ALL MEN BY THESE PRESENTS, SHALL COME, WHEREAS it is true policy of this Government to induce the Aborigines of the Country to adopt civilization and to become loyal citizens of this Republic and Whereas One of the best means thereto is to grant lands in fee simple to all those showing themselves fit to be entrusted with the rights and duties of full citizenship as voters and whereas the Chief, Elders and Citizens of Gbao Chiefdom South Eastern Province has showing themselves to be fit trusted with said rights and duties; Now therefore Know Ye that I William V.S. Tubman President of the Republic of Liberia for and in consideration of various duties of citizenship hereinafter to be legally perform by the said above named mentioned, I William V.S. Tubman President of the Republic of Liberia for myself and my successors in Office have granted, and by these presents do give, grant and confirm unto the said Chief, Elders and citizens of Gbao Chiefdom their heirs, executors, administrators or assigns forever all that piece of

land situated lying and being in Gbao Chiefdom, South Eastern Province and bearing in the authentic records of said Province the number and bounded and described as follows: Commencing at a point at the Cavalla River and runs on magnetic bearings as follows: South 30 degrees West 243 chains to a point; thence running South 16 degrees West 233 chain to a point, thence running South 67 degrees East 400 chain to a point; thence running North 44 degrees East 263 chain to a point; thence running North 73 degrees East 322 chain to a point, thence running North 27 degrees East 283 chain to a point, on the Cavalla River; thence charting westward along the Cavalla River 1.184 chain to the place of commencement and containing 43,586 acres of land and no more. TO HAVE AND TO HOLD the above granted premises together with all and singular the buildings, improvements and appurtenances thereof belonging to the said Chief, Elders and Citizens of said Chiefdom their heirs, executors, administrators or assigns. And I the said William V.S.

handled all Technical issues relating to the deed location, boundaries and commencement/starting points.

On June 5, 2011, various working groups were formed by FDA staff on how to conduct an on the spot authentication and validation process amongst stakeholders and land owners. County officials were brief by Regional Forester Philip Jockolo on the objective, scope and limitation of the exercise. Three (3) thematic working groups were formed.

For group #1, headed by Alexander Akoi, he made stop in Fish Town, River Gee County late in the afternoon and presented a communication to the Acting Superintendent Hon. Pough Wesseh and explained to him the mission. Superintendent Wesseh whole heartedly welcomed the group and told them to proceed to Webbo District to meet with the District statutory Superintendent; Hon. Samuel Bolhen who will assist the team in conducting these exercises.

In Konowroken City, the meeting was held at the City Major's premises with the City Major Hon. Wilfred G.N. Davis, the Statutory Superintendent Hon. Samuel Bolhen, Paramount chief of Tuobo Chiefdom, Hon. Moses Dargbah, and several town chiefs. elders, youth leaders, woman leaders attended these meetings in providing historical facts about their forests location and deed diagrams.

Group # 2 & 3 conducted similar exercises and were impressed with the warmed reception received from all known settlements and satellite communities living within and out of the deeded polygons in Maryland County (Barrobo District, Pleebo/Sodeken and Lower Kru Coast Districts).

On June 11, 2011, the team held meeting with the people of Barrobo Statutory District in Globaken City, informing them about Atlantic Resource Logging Company/FMC Area "P" operation that is to start or take place in their areas and expressed interest in their community forests. The citizen expressed their cooperation and willingness through Superintendent Nathaniel Nagbe to work with Atlantic Logging in obtaining the community forests.

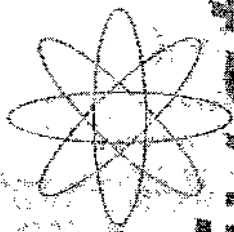
In Grand Kru County, Barclayville City, FDA staff met with a cross section of the citizen including Hon. Cletus Segbe Woforson, Senator Blamoh Nelson, Representative Gbenimah Slopadoe, I. of District # 1 and Representative George Wesseh Blamoh of District # 2. They provided valuable services and information to FDA's GIS & Remote Sensing Laboratory in the authentication and legitimacy of all deeds submitted by the County caucus.

Findings

Following an intensive tour by the three (3) teams we observed and authenticated that:

- Indeed the deeded land documentations submitted to FDA does not overlap with any of Protected Area of Liberia.
- The land deed which is located in Sinoe, Grand Gedeh and River Cess Counties, shares common border with one another interms on districts localities.
- Large portion of all the areas as described in the deeds consists of primary forests and species except those areas near the Dubo River, Joda River, Sinoe Creek, Mumu Creek and the Si Creek consists of mangrove swamps.
- The area is the home of some protected wildlife animals species
- Large portion of all the areas are suitable for harvesting (commercial logging).
- Topographically, the entire land mass of deeds submitted to FDA is relatively flat with more water ways.
- The areas are truly located in Southeastern Liberia
- Technically, the Metes & Bounds of all deeds are correct.

Handwritten signatures and initials at the bottom right of the page.



Private Use Permit

