

Private Use Permit
 Contract
 Between The
 Forestry Development
 Authority
 &
 The People of
 Sam Gbalor District
 River Cess County

F.D.A.
 J.O. BA...

... Town, Mount ...
 ...

Friday, August 12, 2011





REPUBLIC OF LIBERIA)
MONTERRADO COUNTY)

PRIVATE USE PERMIT CONTRACT BETWEEN THE FORESTRY
DEVELOPMENT AUTHORITY AND THE PEOPLE OF SAM GBALOR
DISTRICT, RIVER CESS COUNTY, FOR THE HARVESTING OF 23,432
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 Sam Gbalor Administrative
District, Sinoe County, hereinafter referred to as **Sam Gbalor**, represented by the
District Forest Management Committee by and thru Senior Citizens George Roberts,
Victoria Ilue, Morrison Teah, Richard T. Blame, Johnson Kailey, Daniel Bargoe and
Edward Pailey, 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 **Sam Gbalor** are legitimate owners of a tract of forestland of
23,432 hectares by virtue of inheritance through a legitimate purchase from the Republic
of Liberia;

WHEREAS, the Sam Gbalor Administrative District encompassing of Neegba/Bar and
Blonee/Negba 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 Sam Gbalor 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;

WHEREAS, **Sam Gbalor** is desirous of commercializing harvestable tree species on the said tract of 23,432 hectares of land;

WHEREAS, the Authority having examined **Sam Gbalor's** application and the requirements of Section 5.6 of the NFRL having been met, declares **Sam Gbalor** 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;

WHEREAS, the people above described have given their written consent through a Memorandum of Understanding (MOU) to the Forest Venture Inc for the management and supervision of their forestland as can be seen from copy of said MOU hereto attached and marked Exhibit "E"

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

1. Definitions

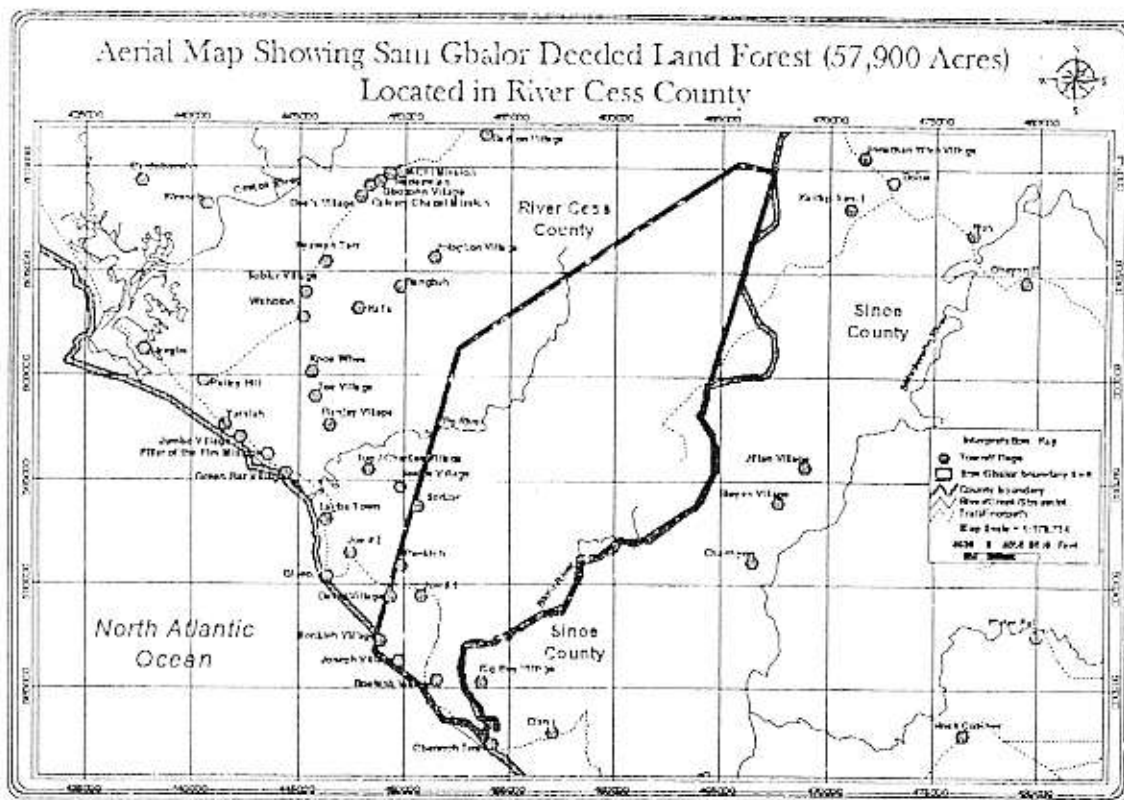
- a. Authority: The Forestry Development Authority (FDA) created by an Act of the Legislature on November 1, 1976.
- b. Annual Operations Plan: the plan that guides the annual operations of the Holder
- c. Chain of Custody: the path of custodianship followed by logs, Timber and wood products through 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.

- b. 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.
- 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 Sam Gbalor District Forest Land & Location Map

Commencing at a point where the Bloni River enters into the Atlantic Ocean; thence a line runs along the Bloni River in the Northern direction for 63,285 feet to a point; thence a line runs Due East for 2,176 feet to a point; thence a line runs N 51° E for 10,279 feet to a point; thence a line runs N 22° E for 4,580 feet to a point; thence a line runs Due North for 6,141 feet to a point; thence a line runs N 37° W for 3,176 feet to a point; thence a line runs N 15° E for 40,263 feet to a point; thence a line runs N 74° W for 5,592 feet to a point; thence a line runs S 56° W for 52,573 feet to a point; thence a line runs S 15° E for 46,291 feet to the point on the Coast of the Atlantic Ocean; thence a line runs along said coast in the Eastern direction for 26,942 feet to the point of commencement, containing 57,900 acres of land.

Map of Sam Gbalor Forestland



3. Contract Objective

- To harvest merchantable tree species from 23,432 hectares of tract of land otherwise called the Sam Gbalor Forest Land
- To engage in reforestation of the area involving indigenous species
- To create alternative uses of the tract of land after harvesting of trees
- To create employment for about 300 locals of the contract area and surrounding towns and villages.

4. **Contract Duration**

The contract shall be for Fourteen (14) 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 SAM GBALOR ADMINISTRATIVE DISTRICT



Johnson Karley



Richard T. Blame

Approved 

Florence A. 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, Bodac, Jeadepo, Kumi Shaw Boe, Tarsue sehnkwehn and Cayalla 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.

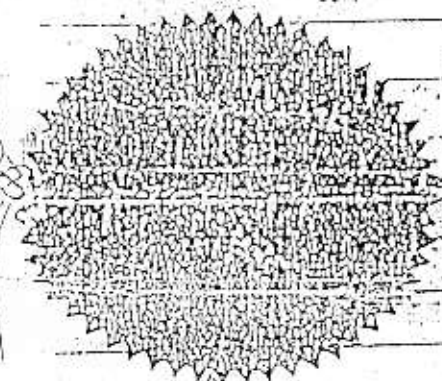
Thanks in advance for your continued understanding.

Sincerely yours

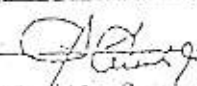

Augustus Abram
Planning Manager (ARC)

Kankw,
where are these areas
located in terms of the
proposed protected areas
by Gov. Please provide
me details and advise
Management accordingly
M. Williams


THIS IS TO CERTIFY THAT the within document is a true and correct copy of a ABORIGINEES GRANT from the Republic of Liberia to Chief, Elders and Citizens of Sam-Gbalor Chiefdom as recorded in Vol. 50J pages 3-5 of the records of Montserrado County, filed in the Archives of the Ministry of Foreign Affairs.

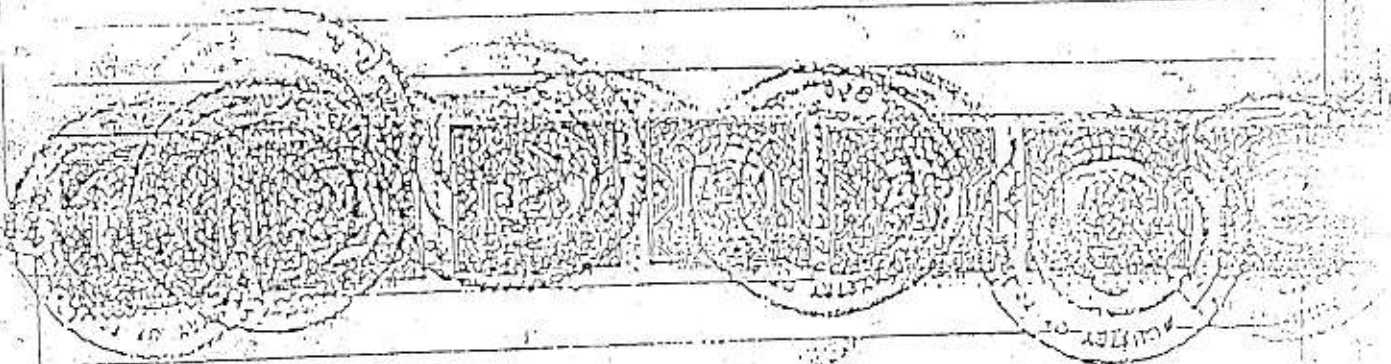


GIVEN UNDER MY HAND and Seal of the Ministry of Foreign Affairs this 19th day of August A.D. 1974 and of the Republic the One Hundred and Twenty-Eighth.


C. Cecil Dennis, Jr.
MINISTER OF FOREIGN AFFAIRS

CHECKED BY:


Augustine D. Sillah
DIRECTOR OF ARCHIVES.



REPUBLIC OF LIBERIA

TO ALL TO WHOM THESE PRESENTS SHALL COME: Whereas it is the true policy of this Government to induce the Aborigines of the Country to adopt civilization and become loyal citizens of the Republic and whereas one of the best means thereto is to grant land 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 the Gbalor Chiefdom in River Cess Territory has showing themselves to be entrusted 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 if the various of citizenship hereafter to be legally performed by the said Chief Elders and Citizens of said Chiefdom, I the said 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 convey unto the said Chief, Elders and Citizens their heirs, executors administrators or assigns forever all that piece or parcel of land situated, lying and being in the said Chiefdom, River Cess Territory and bearing in the authentic records of said Territory the number and bounded and described as follows: Commencing at the point of where the Bloni River enters into the Atlantic Ocean and running on magnetic bearing as followed: charting Northward along the Bloni River 959 chain to a point; thence running due East 33 chain to a point; thence running North 51 degrees East 156 chain to a point; thence running North 22 degrees East 70 chain to a point; thence running due North 93 chain to a point; thence running North 37 degrees West 48 chain to a point; thence running North 15 degrees East 640 chain to a point; thence running North 74 degrees West 81.7 chain to a point; thence running South 56 degrees West 979 chain to a point; thence running South 15 degrees East 701.4 chain to a point along the Atlantic Coast and thence charting along the Atlantic Coast 408 chain to the place of commencement and containing the 57,900 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. 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 enacting hereof 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
10th day of April A.D. 1956 and of
the Republic the 109 year.
sgd. W.V.S. Tubman
President

IN D O C U M E N T.
ABORIGINEES GRANT from Republic of Liberia to Chief, Elders and
Citizens of Sam Gbalor Chiefdom, River Cess Territory, Lot No.
situated in River Cess Territory, "Let this be Registered" sgd.
J. Gbafflen Davies Commissioner of the Monthly and Probate Court,
Mo. Co. Probated this 2nd day of May A.D. 1956, sgd. Susanna E.
Williams Clerk of the Monthly and Probate Court, Mo. Co.
Registered according to law in Vol. 70J pages 3-5, sgd. E. Win
Smallwood, Registrar, Mo. Co.



REPUBLIC OF LIBERIA
MINISTRY OF LANDS MINES & ENERGY

P. O. BOX 10-9024
1000 MONROVIA 10, LIBERIA, WEST AFRICA
TEL.: (231) 226-858, FAX: (231) 226-281



Monday June 27, 2011

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

Dear Hon. Wogbeh:

We write to present our compliments, and wish to acknowledge receipt of your letter dated 31st March, 2011, Ref. No. MD/48/2011/8 requesting the Ministry of Lands, Mines and Energy to review, verify and authenticate deeds of land areas in Cavalla, Tchien Mengna, B'hai, Sam Gbalor, Bodoc, Jedepo, Kulu, Shaw, Boe and Tarsue Sanquin all of Sinoe and Grand Gedeh Counties.

In reference to this request, we are pleased to note that after carefully analyzing the technical information presented and verification by Resident County Surveyors, these documents are found to be correct and there exists no other claimants/titles.

Therefore, this Ministry hereby advises that the Forestry Development Authority can proceed in granting a PRIVATE USE PERMIT to these communities in fostering their goals.

Kind regards.

Very truly yours,


Hon. Maxwell C. F.
Acting Assistant Minister/DLS&C



File.

Republic of Liberia
Montserrado County

Office of the Notary Public
Monrovia, Liberia

NOTARY CERTIFICATE



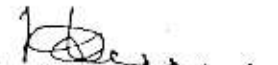
Personally Appeared Before Me in My Office within the City of Monrovia, Montserrado County, Republic of Liberia this 12th day of February, A. D. 2011 duly qualified Notary Public for and in the County of Montserrado and in the Republic Aforesaid the Parties to the attached documents:-

MEMORANDUM OF UNDERSTANDING (MOU), by and between The People of Sam Gbolor, Rivercess County, R. L. Party of the First Part and The Atlantic Resources Limited, Party of the Second Part

and did in my presence and in the presence of each other execute and signed their genuine signatures on the said Instruments (s) to be the person(s) they represent and that the same was made in my presence and declared by each of them to be their voluntary acts and in their own hand writing.

Therefore I Mary Mamie Howe, Notary Public aforesaid, have attached my Official Signature Notary Seal to avail when and where Necessary.

I have affixed my genuine Signature attesting to this transaction by the power vested in me this 12th day of February, A. D. 2011

MARY MAMIE HOWE

JONES & JONES LAW FIRM

MEMORANDUM OF UNDERSTANDING (MOU)

This MOU was entered into this 7th day of February AD 2011, by and between the people of Sam gbolor, Rivercess County R.I., herein after referred to as party of the first part and the Atlantic Resources Limited county of Montserrat R.I., herein after referred to as party of the second part.

WITNESSETH

WHEREAS the people of Sam gbolor, Rivercess County, are owners of a community forest by virtue of a title deed containing 73,432 hectares (58,580 acres) and no more and;

WHEREAS the Atlantic Resources Limited, party of the Second part is a logging company registered under the Laws of the Republic of Liberia.

WHEREAS the people of said community have written a letter of invitation, inviting the Party of the Second part to carry out logging operations in their community forest, having had discussion and unanimously agreed on the aforementioned invitation and;

WHEREAS the Party of the Second Part, Atlantic Resources Limited have consented to the invitation aforementioned that is to carry out logging operation in said Community forest;

NOW THEREFORE THE PARTIES have mutually agreed to be bounded as follows:

1. That the party of the first part, the people of Sam gbolor community assures the party of the second part, Atlantic Resources Limited that said Forest has no encumbrances; hence the part of the second part is authorized and free to commence its logging operations in said community forest.
2. That the party of the first part shall at all times defend and protect the rights of the part of the second part during its logging operations against all would be encroachers, intruders and/ or trespasser on said property.
3. That the party of the second part, Atlantic Resources Limited, shall pay to the party of the first part the people of Sam gbolor US\$ 3.00 (Three American Dollar) per cubic meter of log at the end of each monthly production from the Community Forest which amount is to be utilized to implement all deserved projects of the party of the first part.
4. That the party of the second part should be willing at all times to assist the party of the part with vehicle(s) in emergency situations that is; pregnant women and persons in the community who may be in critical conditions from injuries.

5. That the party of the second part will take initiative to have talks with authorities of the FDA to conduct training for the Community Forest Management Body (CFMB) to enable them understand and play their role as officers and members.
 6. That the party of the second part in carrying out its logging operations must respect the rights of the first part in carrying out its traditional practices in conformity with applicable customary laws in particular that has to do with animals, plants, medicinal plant sites, hunting ground and non timber forest products.
 7. That the FDA must ensure that the operations of the party of the second part are in compliance with existing forestry laws.
 8. That the party of the second part agrees to provide first preference for employment for skilled and unskilled employees of the people of the first party.
 9. That the party of the second part during its operations must not encroach on existing cash crops or cause destruction to same.
 10. That the party of the first part shall hold consultative and emergency meetings with the party of the second part in addition to regular meetings.
 11. That the party of the first part shall identify a primary road that will be built with concrete bridges and all other connecting major towns and villages will be connected with wooden bridges.
 12. That the parties herein agree that this MOU shall be subject to review after every three years (3).
 13. That the party of the first part in carrying out farming activities shall refrain from felling / damaging merchantable species.
 14. That in the event of any dispute arising under this agreement the parties shall first seek to resolve their differences with aid of the FDA, and wherein the matter remains undetermined, local government official should be refer to as neutral parties in the third party mediation process. Wherein the above methods can not settle the dispute the parties herein shall result to arbitration in line with the commercial arbitration rules: and judgment rendered by arbitrators may be confirmed by a court of competent jurisdiction.
 15. That the terms and conditions herein above mentioned are strictly meant to be the intentions of the parties to this MOU, and any and all other discussions of the parties prior to the execution of this MOU are null and void.
 16. That the parties herein, their heirs assigns successors in office, administrators/ trix are bounded by this instrument.
- HJM

IN WITNESS WHEREOF
WE HAVE AFFIXED OUR
SIGNATURES ON THE
DATE FIRST ABOVE WRITTEN

WITNESSES:

1. *Thomas S. [unclear]*

2. *Yakovlev*

3. *Edward [unclear]*

4. *Daniel Barge*

5. *Henry [unclear]*

6. *James G. Johnson*

1. *George [unclear]*

2. *Victoria [unclear]*

3. *James [unclear]*

4. *Morrison [unclear]*

5. *Richard T. Blaine*

6. *Johnson S. Karley*

Benjamin Koffee

AUGUSTUS ABRAM
PARTY OF THE SECOND PART

ATTESTED BY FDA

Annette [unclear]
Manager, Command of Espionage
F.D.A.

MAN

THIS DOCUMENT HAS BEEN LEGALLY REGISTERED AND
 FILED AT THE NATIONAL ARCHIVES ON THIS 8 DAY OF
March 2011 AT 3:10 AM (P.M.)
 FOR NATIONAL DOCUMENTS & REFERENCE AGENCY (NDA) R.I.



Memorandum of Understanding (MOU), by and between The People of Sargwin, Sinoe County, R.L., Party of the First Part	AND The Atlantic Resources Limited, Party of the Second Part
LET THIS BE REGISTERED	
<i>[Signature]</i> Commissioner of Probate Mo. Co.	
Probate this <u>3rd</u> day of <u>March</u> <u>A.D. 2011</u>	<i>[Signature]</i>
SLEEK. MONTHLY & PROBATE COURT. MO. CO.	
Registered according to Law	<i>[Signature]</i>
Vol <u>7-27-11</u> Page <u>7-8</u>	<i>[Signature]</i>
REGISTERED MONROVIA COUNTY	
OFFERED INTO PROBATE BY JONES & JONES (Attorney and Counsellors at Law) Monrovia, Liberia	



Private Use Permit

