

REPUBLIC OF LIBERIA)
MONTSERRADO COUNTY)

THIRD PARTY FOREST MANAGEMENT AGREEMENT

THIS THIRD PARTY FOREST MANAGEMENT AGREEMENT, made and entered into this 12TH day of October A.D. 2019 by and between **GOLA KONNEH COMMUNITY FOREST MANAGEMENT BODY**, representing **LAAR & MANA CLAN'S COMMUNITY AUTHORIZED COMMUNITY FOREST** located in Gola Konneh District, Grand Cape Mount County, **Republic of Liberia** hereinafter known and referred to as the "**Community**", and **AKEWA GROUP OF COMPANIES, LIBERIA INC.**, a corporation organized and existing under the Laws of the Republic of Liberia, represented by its **CEO/PRESIDENT Funke Odebunmi**, hereinafter known and referred to as "**Company**", hereby:

WITNESSETH:

WHEREAS, the people of **LAAR & MANA CLANS COMMUNITY FOREST** are the owners of **GOLA KONNEH COMMUNITY AUTHORIZED COMMUNITY FOREST** located in Grand Cape Mount County; and

WHEREAS, the people of **GOLA KONNEH COMMUNITY FOREST** have entered into an agreement with the Government of Liberia, by and through the Forestry Development Authority (FDA) for the sustainable management and use of its forest resources in line with the Forestry Laws of Liberia; and

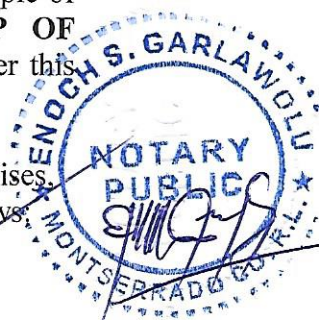
WHEREAS, the people of **GOLA KONNEH COMMUNITY FOREST** have expressed their readiness to offer their forest for commercial purposes in line with the requirements of the Community Rights Laws with respect to Forest Lands, the Community Rights Law Regulations, the National Forestry Reform Law of 2009 and its attending regulations; and

WHEREAS, **AKEWA GROUP OF COMPANIES, LIBERIA INC.**, is duly registered and qualified Company with a Pre-Qualification Certificate to engage directly or indirectly in logging activities in the Republic of Liberia; and

WHEREAS, **AKEWA GROUP OF COMPANIES, LIBERIA INC.**, has represented to the people of **GOLA KONNEH COMMUNITY FOREST** through the **GOLA KONNEH COMMUNITY FOREST MANAGEMENT BODY** that it is disposed to manage their Community Forest for commercial purpose to further the development of the people of **GOLA KONNEH COMMUNITY FOREST**; and

WHEREAS, **GOLA KONNEH COMMUNITY FOREST MANAGEMENT BODY** has consented and determined it to be in the best interest of the people of **GOLA KONNEH COMMUNITY FOREST** for **AKEWA GROUP OF COMPANIES, LIBERIA INC.**, to commercially manage their 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:



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1. COMMUNITY FOREST AREA

The Community Forest Management area for the purpose of this Agreement is situated in Gola Konneh Community, Gola Konneh District, Grand Cape Mount County, Republic of Liberia and covers a total area of **49,179 hectares** as detailed in Annex I.

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 the **GOLA KONNEH COMMUNITY FOREST AUTHORIZED COMMUNITY FOREST MANAGEMENT BODY and AKEWA GROUP OF COMPANIES, LIBERIA INC.,** It is mutually understood and agreed that the Social Agreement (which forms an integral part of this agreement) and its implementation shall be subject to periodic review by the parties hereto every five (5) years during the life of this agreement. This Agreement shall be deemed terminated if **AKEWA GROUP OF COMPANIES, LIBERIA INC.,** failed to commence harvesting operation within twelve (12) months after the signing of this Agreement.

3. FISCAL CONSIDERATION

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

3.1 AKEWA GROUP OF COMPANIES, 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. Forty-five percent (45%) of this land rental shall be paid directly into the Forestry Development Authority account with the remaining fifty five percent (55%) paid directly into the Community's account in a timely manner. **AKEWA GROUP OF COMPANIES, LIBERIA INC.,** shall inform the **AUTHORIZED COMMUNITY FOREST MANAGEMENT BODY** of the payment of its fifty five percent (55%) Land Rental at the time of each payment.

3.2 AKEWA GROUP OF COMPANIES, LIBERIA INC., shall pay the amount of **US\$4.00 (Four United States Dollars)** for every cubic meter of logs four months after they are felled. This amount shall be paid to the Community on a quarterly basis. **AKEWA GROUP OF COMPANIES, LIBERIA INC.,** shall furnish the Community with copies of **Log Data Form (LDF)**, which shall serve as the official source to determine actual volume felled. Payment of all royalties of fees due the Community (including land rental) shall be deposited directly into the Community's bank account. The Community shall furnish **AKEWA GROUP OF COMPANIES, LIBERIA INC.,** with its bank's account number and other banking information required for such deposit(s).

4. REQUIREMENTS BEFORE COMMERCIAL FELLING

It is mutually understood and agreed by **AKEWA GROUP OF COMPANIES, LIBERIA INC.,** and the Community that no commercial felling shall commence until the completion of the Community Forest



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Management Plan, and the completion of the Environmental Impact Assessment and other felling requirements established by the FDA.

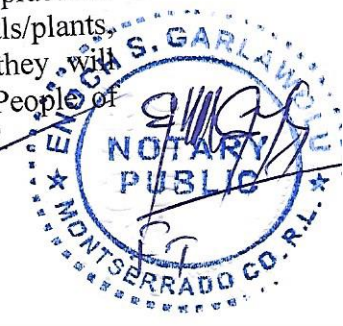
5. SOCIAL AGREEMENT

The people of **GOLA KONNEHAUTHORIZED COMMUNITY FOREST**, having identified their representative body, firstly the **GOLA KONNEH AUTHORIZED COMMUNITY FOREST MANAGEMENT BODY (GKCFMB)**, 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 **(GKCFMB)** shall in anyway represent himself/herself/themselves as the authorized representatives of the People of **GOLA KONNEH AUTHORIZED COMMUNITY FOREST** in relation to any terms of this Agreement, including financial payments or social obligations. It is mutually understood and agreed by **AKEWA GROUP OF COMPANIES, LIBERIA INC.**, and the **Community**; that

1. **GKCFMB** has the power to negotiate on all affected community's behalf.
2. **GKCFMB** shall provide a list of its members and be responsible to inform **AKEWA GROUP OF COMPANIES, LIBERIA INC.**, of any change to its membership immediately.
3. **GKCFMB** and **AKEWA GROUP OF COMPANIES, LIBERIA INC.**, hereby agree and stipulate that the Social commitment to the People of **GOLA KONNEHAUTHORIZED COMMUNITY FOREST** shall follow the guidelines as prescribed by the Forestry Development Authority.
4. **GKCFMB** agrees to inform **AKEWA GROUP OF COMPANIES, LIBERIA INC.**, of all relevant traditional practices to ensure compliance.
5. **GKCFMB** agrees to ensure that water collection points are protected and maintained.
6. **AKEWA GROUP OF COMPANIES**, agrees that it shall operate completely within the guidelines and regulations prescribed by Forestry Development Authority.
7. **GKCFMB** agrees that the Community shall be educated to avoid the expansion of subsistence agriculture activities within the commercial area and that where possible assist any existing agricultural activity to relocate.
8. **GKCFMB** agrees to educate the Community to discourage unnecessary fire disposal and encourage fire safety practices especially in contract area.
9. **AKEWA GROUP OF COMPANIES Inc.**, agrees that its timber operations shall be timed to minimize disruption to subsistence agricultural activities.
10. **AKEWA GROUP OF COMPANIES, LIBERIA INC.**, agrees that its timber operations shall respect the existing cash crops within the Community Forest Management Area.
11. **AKEWA GROUP OF COMPANIES, 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 People of **GOLA KONNEH AUTHORIZED COMMUNITY FOREST**

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12. **AKEWA GROUP OF COMPANIES, LIBERIA INC.**, agrees to participate substantially in community development programs (such as support to scholarship programs, construction of school etc.....)

A. **School:** The Company shall construct one (1) elementary and junior high school within their operational areas. The construction of the elementary school shall begin in the third (3rd) and end in the last year of the first five (5) years and is shall contain six (6) rooms with an office space while the construction of the Junior High School shall commence and end in the last five (5) years of this agreement. The Junior High School shall contain three (3) rooms and two (2) offices.

B. **Hand Pumps and Latrines:** The Company shall construct four (4) hand pumps and four (4) latrines in the affected communities. The hand pumps and latrines construction shall begin in the first five (5) years. In the second and final five (5) years of the agreement, similar projects shall be done during the implementation of this Agreement.

C. **Clinics:** The Company shall construct two (2) clinics in the affected communities. The first clinic construction shall be done in the first five (5) years while the second clinic shall be constructed in the third five (5) years of implementation of this Agreement. It shall contain five (5) rooms and an office space.

D. **Scholarship:** The Company shall provide **US\$13,000.00 (Thirteen Thousand United States Dollars)** for scholarship to the affected communities on or before the 30th of August each year of this contract.

13. **AKEWA GROUP OF COMPANIES, LIBERIA INC.**, agrees to build company camps 1km away from existing towns or dependent areas, to extend comfort for its workers or employees.

14. **AKEWA GROUP OF COMPANIES Inc** agrees to construct log/timber bridges on primary roads and shall use solid, durable wood or other hard woods like Ekki, Dahoma, etc. The parties agree that **AKEWA GROUP OF COMPANIES Inc.** will rehabilitate and maintain one (1) primary road for the duration of the agreement.

15. **AKEWA GROUP OF COMPANIES Inc.** agrees to build a Saw Mill and a Wood Processing Factory within the forest community within the period of the first five years.

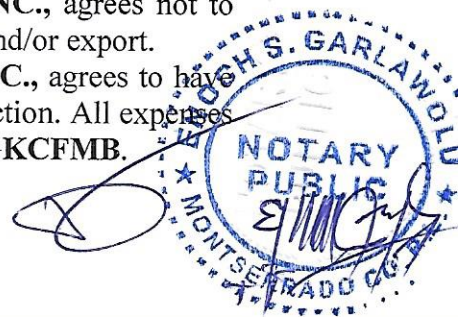
16. **AKEWA GROUP OF COMPANIES, LIBERIA INC.**, agrees to hold consultative and emergency meetings with **GOLA KONNEH AUTHORIZED COMMUNITY FOREST** in addition to regular meetings.

17. **AKEWA GROUP OF COMPANIES, LIBERIA INC.**, agrees to assist **GOLA KONNEH AUTHORIZED COMMUNITY FOREST** with vehicle(s) in emergency situations that is; pregnant women and persons in the community who may be in critical condition from injuries.

18. **AKEWA GROUP OF COMPANIES, LIBERIA INC.**, agrees not to harvest palm trees for processing bridge construction and/or export.

19. **AKEWA GROUP OF COMPANIES, LIBERIA INC.**, agrees to have **GKCFMB** representative(s) monitor and verify production. All expenses of this representative(s) shall be at the expense of the **GKCFMB**.

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20. **AKEWA GROUP OF COMPANIES, LIBERIA INC.**, agrees to provide first preference for employment for skilled and unskilled labor to the forest dependent communities in the boundaries of the commercial logging area.

21. **AKEWA GROUP OF COMPANIES, LIBERIA INC.**, agrees to afford equal opportunities for the employment of women in the skilled and unskilled labor force in the commercial logging area.

6. **NON-TIMBER FOREST PRODUCTS**

This agreement does not cover the harvesting of non-timber forest products. The Community retains exclusive right over the use and harvesting of non-timber forest product of the contracting of its use or harvesting to a third party.

7. **OBLIGATIONS OF AKEWA GROUP OF COMPANIES, LIBERIA INC**

7.1 The **Company** must ensure that all of its operations and activities are in full compliance with the Laws of Liberia.

7.2 The **Company** must ensure respect for all local customary laws

7.3 The **Company** must ensure transparent reporting to **GKCFMB** at all times during the life of this Agreement.

8. **OBLIGATIONS OF GOLA KONNEH AUTHORIZED COMMUNITY FOREST**

8.1 The **Community** shall ensure that it performs and maintains full education and entity responsible for official interaction with the Company, 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.

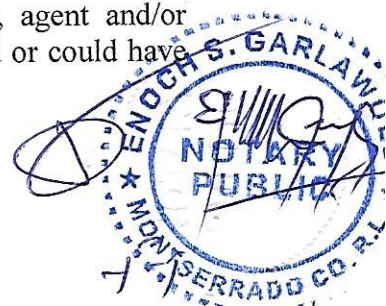
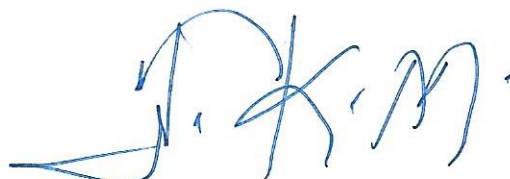
8.3 The **Community** must ensure full access to the Company to the contracted area at all times for the duration for this Agreement.

8.4 The **Community** shall protect the Company 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. It shall ensure that the Community refrains from chain sawing in the contracted area.

8.5 The **Community** shall ensure where possible, that materials, such as sand gravel, etc., be made available without charge of any kind for the Company's use for building campsites, housing units, building and road work within the community forest area.

9. **FORCE MAJEURE**

The Parties mutually agree that in the events, the Company 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 the Company. Force Majeure as used herein is defined as any event beyond the reasonable control of the party, including, but not limited of 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 a party, its management, agent and/or affiliate, with the party could not have reasonably anticipated or could have been expected to prevented or control.



10. DISPUTE SETTLEMENT

- 10.1 Any dispute connected with the information, performance, interpretation, nullification, termination or invalidation of this Agreement or arising from, or related to this agreement in any manner whosoever which cannot be resolved through the direct consultations and negotiations be 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 Rights Forest Law with respect to Forestlands 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.



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

FOR: GOLA KONNEHAUTHORIZED COMMUNITY
FOREST

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WITNESS

BY: [Signature]
Mr. James K Momo
Chief Officer
GKCFMB

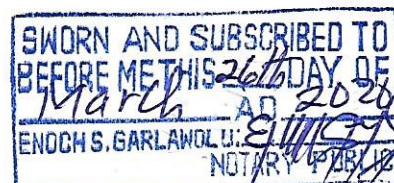
FOR: AKEWA GROUP OF COMPANIES,
LIBERIA INC.

[Signature]
WITNESS

BY: [Signature]
Funke Odehumi
CEO/PRESIDENT

Attested by:

[Signature]
26-03-2020
Forestry Development Authority



J.K.M. [Signature]