





REPUBLIC OF LIBERIA) MONTSERRADO COUNTY)

PRIVATE USE PERMIT CONTRACT BETWEEN THE FORESTRY DEVELOPMENT AUTHORITY AND THE PEOPLE OF BELLEH YELLAH DISTRICT, GBARPOLU COUNTY, FOR THE HARVESTING OF 130,569 HECTARES OF FORESTLAND

THIS CONTRACT made and entered into this day of 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 Belleh Yellah Administrative District, Gbarpolu County, hereinafter referred to as Bellah Yellah. represented by the District Forest Management Committee by and thru Senior Citizens. Paramount Chief Joseph Vallah, Clan David Flomo and Sumo Yanguoi, Youth Leader, 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 Belleh Yellah are legitimate owners of a tract of forestland of 130,569 hectares by virtue of inheritance through a legitimate purchase from the Republic of Liberia:

WHEREAS, the Belleh Yellah Administrative District encompassing of Lobarsu, Bade and Nwolaila clans made an application to the Authority on September 5, 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 Aborigee's Grant Deed issued in March 1951 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 Belleh Yellah 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:

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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, Belleh Yellah is desirous of commercializing harvestable tree species on the said tract of 130,569 hectares of land;

WHEREAS, the Authority having examined Belleh's application and the requirements of Section 5.6 of the NFRL having been met, declares Belleh Yellah 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 South Eastern Timber (SET) 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

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- 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
- 1. Land Owner: a person who owns land by legal title

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- 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.

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2. Metes and Bounds/Technical Description of Belleh Yellah District Forest Land & Location Map

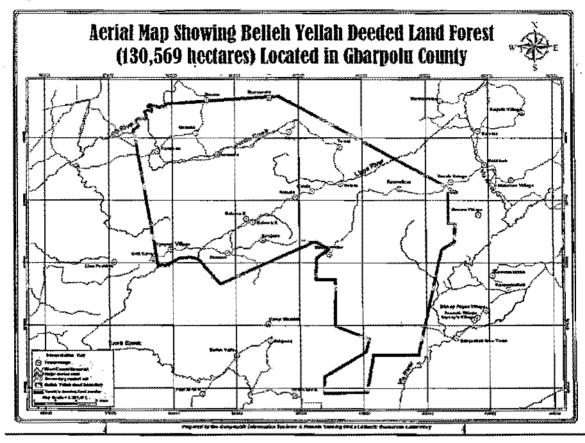
Starting from near the villages of Kpayeah and Lott Carey, south of Liaya River; thence a line runs N 10° W for 73,082 feet to the point on the Lofa River; thence a line runs along the Lofa River in the eastern direction for 33,085 feet to a point; thence a line runs N 86° E for 58,632 feet to a point; thence a line runs S 62° E for 105,487 feet to a point; thence a line runs Due West for 4,874 feet to a point; thence a line runs Due South for 16,782 feet to a point; thence a line runs Due East for 3.314 feet to a point; thence a line runs Due South for 9,757 feet to a point; thence a line runs S 59° W for 7,960 feet to a point; thence a line runs S 13° W for 56,471 feet to a point; thence a line runs Due West for 23,005 feet to a point; thence a line runs \$ 10° W for 20,247 feet to a point; thence a line runs S 89° W for 22,811 feet to a point; thence a line runs Due North for 8,001 feet to a point; thence a line runs N 59° E for 25,986 feet to a point; thence a line runs N 11° E for 6,774 feet to a point; thence a line runs N 69° W for 18,647 feet to a point; thence a line runs Due North for 24,393 feet to a point; thence a line runs Due West for 9,943 feet to a point; thence a line runs Due North for 11.318 feet to a point; thence a line runs N 54° E for 7,958 feet to a point; thence a line runs N 59° W for 8,227 feet to a point; thence a line runs S 65° W for 53,796 feet to a point; thence a line runs N 41° W for 18,372 feet to the point on the Liaya River; thence a line runs along the Liaya River in the southern direction for 22,302 feet to the point of commencement, containing 322,643 acres of land and NO MORE.

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Map of Belleh Yellah Forestland



3. Centract Objective

- a. To harvest merchantable tree species from 130,569 hectares of tract of land otherwise called the Belleh Yellah 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.

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Contract Duration

The contract shall be for twenty five (25) years, the land area being as an FMC.

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Chain of Custody System

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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

Employment

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

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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. <u>Governing Laws</u>

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.

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FOR THE AUTHORITY

Witness ...

Approved:

Moses D. Wogbeh, Sr.
Managing Director

FOR THE PEOPLE OF BELLEH YELLAH ADMINISTRATIVE DISTRICT

Joseph Vallah
Paramount Chief/Bella Yellah

David Flomo
David Flomo
Clan Chief

Approved

Florence Chepoweth Chairman-FDA Boardiof Dice

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BELLE YELLAH DISTRICT, GBARPOLU COUNTY, LIBERIA

August 8, 2011

Hon. Moses D. Wogbeh, Sr. Managing Director Forestry Development Authority Whein Town, Paynesville City Republic of Liberia

Dear Hon. Wogbeh:

We are writing on behalf of the People of Belle Yellah District for the issuance of a Private Use Permit (PUP) to enable us do logging activities on our private deeded land. Our private deed is hereto attached for notification.

We pray and hope our request will be granted.

Sincerely yours,

PARAMOUNT CHIEF/BELLE YELLAH DISTRICT

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ATLANTIC RESOURCES LOGGING COMPANY

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September 5, 2011

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

Dear Hon. Director:

We are delighted to inform you that the citizens including the Superintendents, Representatives, and Commissioners of Belle, Gola Konneh, Kulu Shaw, Jaedea, Dugbeh River, Bade, Marbo, Beawor, Zorzor, Voinjama, Seekon, Gboe-Ploe, and Gbarma Districts met in a citizens meeting for the soul purpose of discussing the possibility of granting <u>Atlantic Resources</u>, Forest Venture & South Eastern Timber Company, 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 the above companies 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 awarded Private Use Permits in various parts of Liberia in line with the New Forestry Law of Liberia.

Against this backdrop Hon. Director, we are submitting a legal documentation, including MOU's, deeds and technical locations of said forest to your good offices for the purposes of issuing our company a *Private Use Permit (PUP)*, in consonance with the New National Forestry Law of 2006 and Community Rights Law.

Thanks in advance for your continued understanding.

Sincerely yours

August Abriham

Planning Manager

Atlantic Resources Logging

File

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Ex "B"

REPUBLIC OF THEERIA

TO ALL WHOM THESE PRESENTS SHALL COME: Whereas it is the true coliny anthis Government to induce the Aboringiness 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 voter, and whereas the Chief, Elders and Citizens of Belle Chiefdom Westren Providence has showing themselves to be entrusted with said rights and duites Now Therefore know Yes That I William V.S. Tubman President of the Republic of Liberia for and in consideration of the various duties 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 confirm unto the said Chief. Elders and Citizens their heirs, executors, administrators of assigns forever all that piece or parcel of lang situated. lying and being Belle Chiefdom and bearing in the authentic records of said Chiefdom the number N/N and bounded and described as follows: - Commencing at Kpayeah Village and runing on magentic bearing as follows: North 10 degree West 1,107 chain to a point at the Lofa Rivers Thence runing eastword along the Lofa River 501 chain to a point; thence runing North 86 degree East 888 chain to a point; thence runing South 62 degree East 1,598 chain to a point; thence runing Due West 74 chain to a point; thence runing Due South 254 chain to a point; thence runing fue East 50 chain to a point; thence runing Due South 148 chain to a point, thence runing south 59 dogree West 121 chain to a point: thence runing South 13 degree West 856 chain to a point; thence runing West 349 chain to a point; thence runing South 10 degree west 307 chain to a point; thence runing 121 chain to a point; thence runing North 59 degree East. a point; thence runing North 11 degree East 103 chain to a point;

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thence runing North 69 degree West 283 chain to a point; thence runing Due North 370 chain to a point; thence runing Due West 151 chain to a point; thence runing Due North 172 chain to a point; Thence runing North 54 degree East 121 chain to a point; thence runing 59 degree West 125 chain to a point; thence runing South 65 degrae West 815 chain to a point; thence puning North of degree West 278 chain to a point at the LinvoRiver, thence runing along the gaid Liayo River in the Southern direction 338 chain to the place of comm-Pencement and containing 322,643 acres of land and no more. TO HAVE AND HOLD the above granted premises together with all and singular. the buildings, improvements and appurtenances therof and thereto belonging to the said Chief, Elders and Citizens oftesaid Chiefdom their heirs, executors, administrators or assigns forever, and I the said William V. S. Tubman President as aforesaid for myself and my successors in Office do commant to and with the said Chief, Elders and Citizens their heirs, executors, administrators or addition that until ensealing hereof, I the said William V. S. Tubman president as aforeseld by wirtue of my Office had good right and authority to convey the aforesaid premises in fee simple. And I the said William V. 5. 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 the lawful claims and demands of all persons to part of the above granted premises. IN WITNESS WHEREOF I the Said W. V. S Tubman President of Liberia have here unto set my hand and caused the Seal of the Republic to be affixed this 10th day of March A. D. 1952 and of the Republic the 105 years. S. Tubman

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ABORIGINESS GRANT from Republic of Liberia to Chief, Elders and Citizens of Belle Chiefdom, bot No. N /N situated in Westren Providence, "Let this be Registered" sqd. J. EverettyRull Commissioner of the Monthly and Probart Court, Mo. Co. Probate this 12th day of March A. D. 1951, sqd. A. T. G. Appleton Clerk of the Monthly and Probate Court, Mo. Co. Registered according to law in Vol. 50B pages 6 - 8, sqd. Reuben B. Logan, Registrar, Mo. Co.

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Ex C"



REPUBLIC OF LIBERIA MINISTRY OF LANDS, MINES AND ENERGY

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



Monday, October 03, 2011

Hon. Moses D. Wogbeh, Sr. MANAGING DIRECTOR Forestry Development Authority Whein Town, Mount Barclay Monrovia, Liberia

Dear Hon. Wogbeh:

We write to present our compliments, and acknowledge receipt of your letter dated 26th August 2011, Ref. No. FDA/MD/05/62-11, requesting the Ministry of Land, Mines & Energy to review, verify and authenticate deeds pertaining to Kpo, Dugbeh River, Jaedea, Beawor, Zorzor, Voinjama, Seekon, Ghoeploe, Gbarma, Kulu-Shaw Boe, Gola Konneb, Bellah Yellah, Bopola and Kongba Districts for which we are pleased to furnish you with our findings.

After plotting, analyzing and verification, it was observed that the documentations submitted to the Ministry were all found correct and the land un-included the advising the Forestry Development Authority (FDA) to proceed with the granting of the Private Use Permit (PUP) in the interest of the people of the above localities.

This Ministry remains available is these enderwhips always

Truly yours,

Maxwell C. F. Gwell Threster ACTING ASSISTANCE OF THE TER

Ministry of Lands, Mines & Energy

Fite.

Mr Hay

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Forestry Development Authority P.O. Box 10-3010



Elise Saliby's Compound Kappa House, Congo Town Monrovia, Liberia

MEMORANDUM

TO:

Moses D. Wogbeh, Snr.

Managing Director

Forestry Development Authority

FROM:

Towon Nyenty

Acting Manager, FDA GIS Labs

THROUGH:

John D. Kantor, Snr.

Technical Manager, R&D/FDA

Subject:

Verification of Bopolu, Kongha, Belle Yellah, Gola Konneh, Gbarma, Beawor, Voinjama, Zorzor, Seckon, Kulu-Shaw

Bade and Marbo forests

DATE:

October 16, 2009

Background

Predicated on a communication under the signature of Mr. August Abrihim, Planning Manager, Atlantic Resources Logging Company, requested an authentication of a tribal deeds, diagrams and locations of the above properties situated and lying in Lofa, Gbarpolu, Grand Cape Mount, Grand Gedeh, River Cess and Sinoe Counties. A team of technicians from the FDA was mandated to visit said properties for detail ground truthing, capturing of deed land marks and sightseeing of the area for management's reaction.

In light of the above, thematic maps were prepared for various localities using GIS desk studies and validation concluded by sending two surveyors and two Global Positioning System (GPS) operators, traveled to the land under consideration to conduct a joint ground truthing exercise of the area along with the tribal people and company representative.

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Field Patrol

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During the period 2010-2011, the joint team patrolled a significant portion of the area and gathered detail information relating to ongoing multiple uses of the area, types of vegetation, topology, and livelihood of communities dwellers within the parameters of the forest.

Findings |

Following an intensive tour by the team they observed and authenticated that:

- New maps and technical descriptions were prepared for Bopolu, Kongba, Gola Konneh, Gbarma, Belle, Voinjama, Beawor, Zorzor, and Seekon Districts that excluded the Gola National Forest, Alpha Logging and other concessions.
- Indeed the Bopolu, Kongba, Gola Konneh, Gbarma, Belle, Voinjama, Zorzor deeded land falls directly into proposed Forest Management Contract areas "D and M"
- Beawor, Kulu Shaw Boe and Boe are un-encumbered but Bade forest is heavily occupied by miners
- ▶ Large portion of the area under investigation consists of primary forest while at least five percent is totally degraded
- Technically, the description in the Metes & Bounds on all the deeds are correct

Recommendation

In view of the verification and confirmation of documents for this area by the Forestry Development Authority, we herein recommend that.

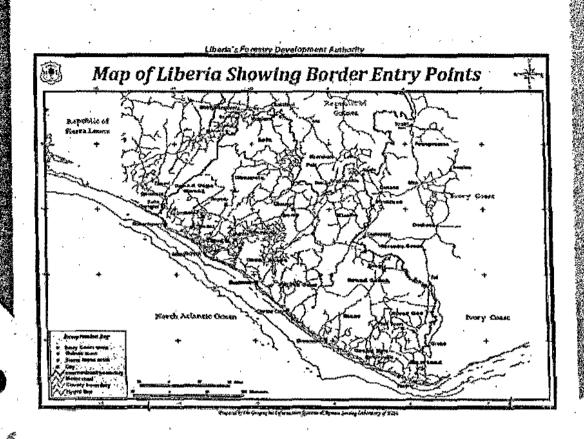
- That the deed be forwarded to the Ministry of Lands, Mines & Surveys for authentication. After authenticating the and found legitimate, the FDA should perform the below activities:
- As per National Forestry Reform Law (NFRL) of 2006 provision in chapter five section 5.6, we therefore recommend that FDA Management issue a **Private Use Permits** of the above districts 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.
- Forestry Development Authority requests the companies representing the communities to demarcate their deeded land property boundary lines to avoid possible trespass cases.

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Private Use Permit